

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, JUNE 7, 1928

Between You ~ and ~ Needless Trouble!

SUDDEN . . . Startling . . . the accident that has been lurking 'round the corner takes you unawares.

While you are dazed and bewildered the unpleasantness and expense that follow come to increase your troubles, ten-fold.

UNLESS ~

the insurance man who serves you has made certain that your policy covers just such an emergency.

UNLESS ~

he is "on the job," ready to fill in the breach, to keep you from unnecessary trouble.

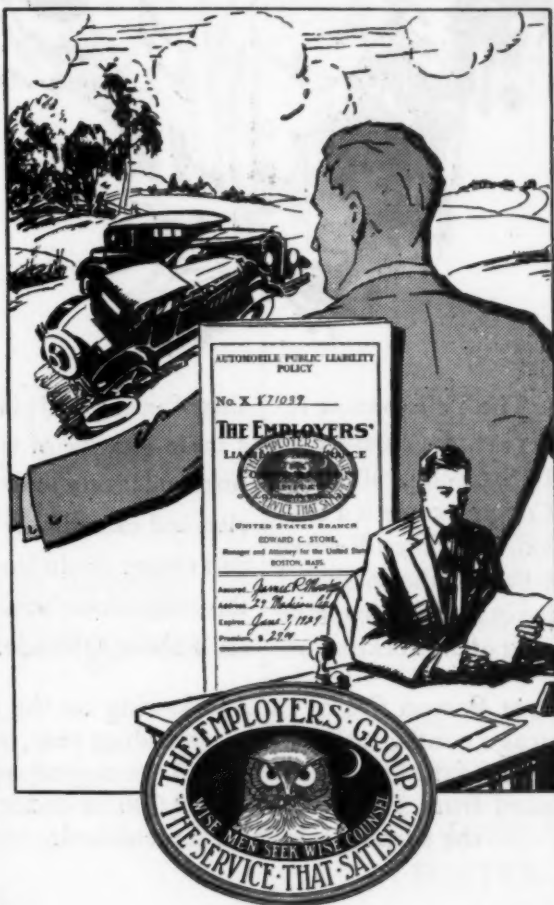
UNLESS ~

your policy carries the name of such dependable companies as the Employers' Liability Assurance Corporation, Ltd., the American Employers' Insurance Company, or the Employers' Fire Insurance Company, comprising The Employers' Group.

When you deal with The Employers' Group you may be certain that the man who directly serves you will plan your insurance to protect you from the inconvenience of needless trouble.

There's an Employers' Group Representative in Your Neighborhood

WRITE FOR OUR BOOKLET
"What Is It and What of It"
THIS insurance index gives briefly the whys and wherefores of modern insurance. Your request will place you under no obligation—nor will a representative call unless you so specify.



THE
EMPLOYERS'
LIABILITY ASSURANCE CORPORATION, LTD.

THE
EMPLOYERS'
FIRE INSURANCE COMPANY
AMERICAN
EMPLOYERS'
INSURANCE COMPANY

*Practically every kind of Insurance
except Life Insurance*

110 MILK STREET, BOSTON, MASS.

"The Home of the Service that Satisfies"

THIS advertisement is a facsimile of that appearing in current issues of the *Atlantic Monthly*, *Harper's*, *Review of Reviews*, *Scribner's*, *World's Work*, and the *Golden Book*—yes, THE EMPLOYERS' GROUP believes in the American Agency system. We believe that such advertising will benefit the insurance business. We believe that it will benefit particularly the representatives of THE EMPLOYERS' GROUP.

We are proud of the growth of our agency force. We are proud of the large number of loyal agents who have been associated with us for many, many years. At the same time we are glad to say that some agency connections are still available for the competent insurance man.



1872 The Yellowstone region was explored in 1871 by the U. S. Geological Survey and in 1872 Congress made it a Federal reservation. The Forest Reserve adjoining the Park on the South and East, was added in 1891. Yellowstone Park, in the heart of the Rockies, consists of an elevated plateau basin with a mean altitude of 8000 feet and is surrounded on all sides by lofty snow-clad and exceedingly rugged mountain ranges. Including the Reserve, this magnificent scenic wonder contains about 3350 square miles . . .

The great Boston fire of 1872 following on the heels of the Chicago conflagration of the preceding year, impaired the surplus of the Company. In 1873 the capital stock was reduced from \$500,000 to \$300,000 in order that the surplus might be replenished.

Fireman's Fund Insurance Company

FIRE, AUTOMOBILE
AND MARINE
INSURANCE



SAN FRANCISCO
CHICAGO NEW YORK
BOSTON ATLANTA

The Fireman's Fund, Home Fire & Marine and Occidental Insurance Company are good companies to represent.

75TH Anniversary

Why They Consider Us FOUR SQUARE With Agents ~

Absolute Fairness
Mutual Understanding
Experience
Regard for Agency System
Interest in Agents' Welfare
Complete Efficiency
Acquaintance with Agents
Never Fails to Fulfill Obligations

Company Friendship
Earnest Helpfulness
Notable Sympathy
True Honesty in Business Conduct
Realizes Agents' Problems
Always Dependable
Loyalty

EARNEST, HELPFULNESS

"What particularly appeals to me in the American Central is the fact that it is continually finding ways to help us. For this reason we consider it one of the most valuable companies we have in our office."

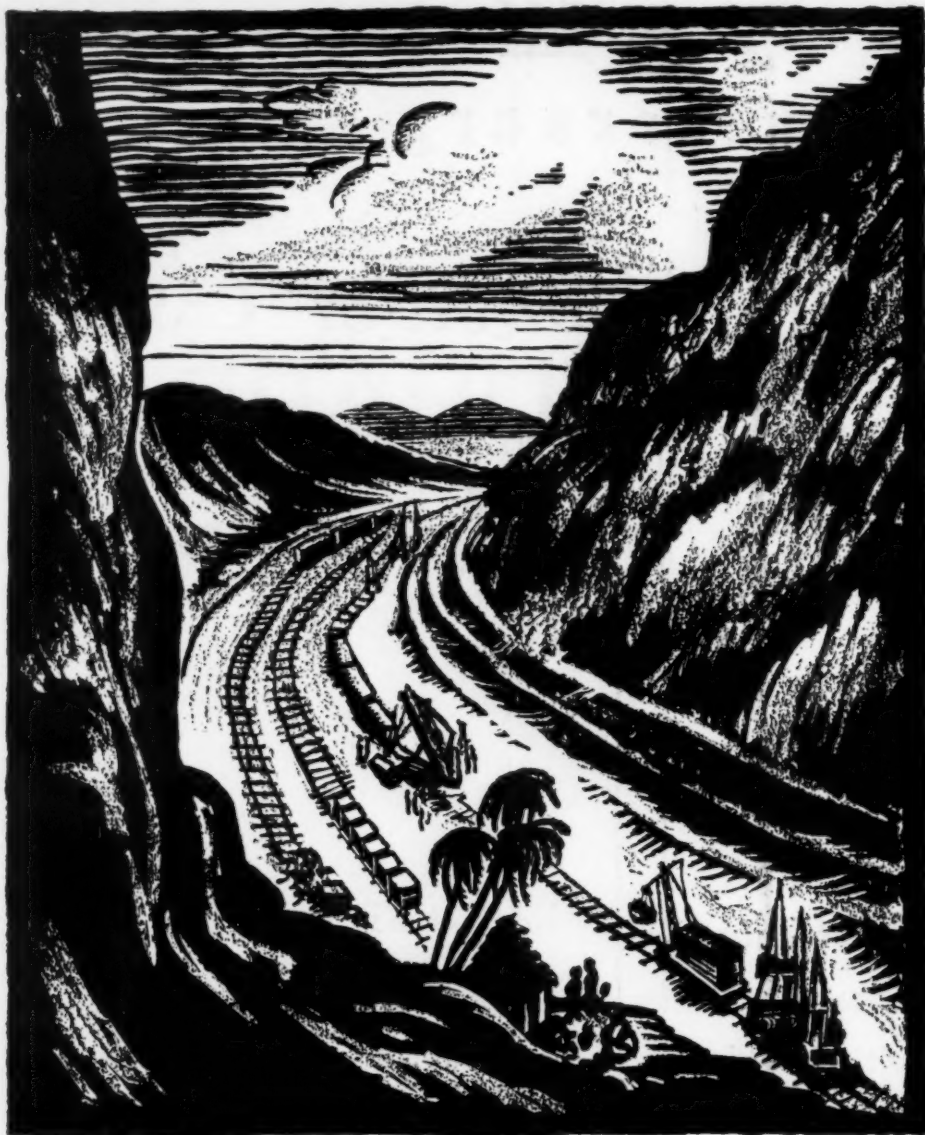
JOSEPH BARKER
FOSTER-BARKER CO.
OMAHA, NEBR.

AMERICAN CENTRAL INSURANCE CO.

SAINT LOUIS

B. G. Chapman, Jr., President

D. E. Monroe, Vice Pres. and Secretary



Culebra Cut in the Panama Canal
where the French did their best work



WHAT God hath joined together let no man put asunder," was the scriptural admonition of the priests to the first suggestion of a canal by Philip II of Spain. From that day on, canal schemes were almost as numerous as revolutions.

The far sighted vision of certain French individuals instigated this vital artery of communication; their mismanagement caused its abandonment.

The vision of a group of men here in America founded the Home of New York; the ability of those pioneers and their successors accounts for the continuous growth of the Home, until today it is celebrating its Seventy-fifth Anniversary.

THE HOME INSURANCE COMPANY NEW YORK

1853  1928
THE HALLMARK OF INSURANCE
Seventy Fifth Anniversary Year

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The National Underwriter

Thirty-Second Year No. 23

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, JUNE 7, 1928

\$4.00 Per Year, 20 Cents a Copy

LIVERPOOL'S WESTERN DEPARTMENT TO N. Y.

Office Maintained for Chicago, Cook County, Farm and Hail Business Only

MANAGERS WILL GO EAST

Cartledge, Grannatt and Corbet Will Accompany Department to New York—Mollington Chicago Manager

Announcement is made this week that the western department of the Liverpool & London & Globe, Star and Federal Union will be transferred to the New York head office Aug. 1, with the exception of Chicago, Cook county, farm and hail business, which will be maintained as heretofore at Chicago headquarters under the direction of A. C. Mollington as Chicago manager. These departments will require a considerable office staff and no change will be made in their activities. Western Manager H. T. Cartledge, Assistant Manager Milton H. Grannatt and Agency Superintendent Clinton L. Corbet will accompany the department to New York and have charge of the western business as heretofore.

Result of Much Deliberation

The move on part of the Liverpool & London & Globe is the result of much deliberation and conference on part of General Manager Hugh Lewis of the head office, United States Manager Harold Warner and the western department officials. It is stated that about 40 department heads, and important members of the office staff in Chicago will move to New York thus giving to the agents a personnel experienced in western affairs and one with which they have been dealing right along.

In announcing the change to the agents, United States Manager Warner declares that the decision to make this move has been reached after a careful review of the position of the company in the central west with the conviction that the local agency contacts so highly valued and so essential to the proper conduct of the business will be fully maintained.

He asserts that increased efficiency will be possible through centralization of certain detailed operations. There will be no change in the field staff. The field men of the western department are in Chicago this week in conference with United States Manager Warner and the western department executives. After a study of the situation the Liverpool & London & Globe management felt that certain economies and increased efficiency would result from the change.

The western office will be on the sixth floor of the Pershing Square building, Park avenue and 42nd street, New York, where the eastern and southern departments are now located. The southern department, with headquarters at New Orleans, was transferred to New York

INDIANA AGENTS PLAN FOR NATIONAL RALLY

ARRANGE FOR COMMITTEES

State Association Will Act as Host to the Big Organization at Annual Convention

WEST BADEN, Ind., June 5.—Officers and members of the executive committee of the Indiana Association of Insurance Agents met here this week to take up questions of importance and to arrange for committees to look after the convention of the National Association of Insurance Agents which will undoubtedly be held here during the week of September 24 at West Baden Springs Hotel. Secretary W. H. Bennett was on the ground this week and it is expected official announcement of the time and place will be forthcoming shortly.

There were present at the conference here President W. H. Bruner and Secretary J. A. Searles of the Indiana Association; D. J. O'Keeffe of Ft. Wayne, chairman of the executive committee; H. D. Merrill of Terre Haute and Charles Zoercher of Tell City, members of the committee and Barrett Woodsmall, president of the Indianapolis Board. It is proposed to hold the annual meeting of the Indiana association Monday of National convention week.

a year or so ago and the Liverpool management is gratified at the results. There has been an increased business and more satisfactory relationships both in the office and field.

There are about 180 employees in the western department. The company has adopted a very liberal policy regarding those who will not go to New York and who will not be retained in the activities that remain in Chicago. Ample provision is made for the older employees, who will be placed on the retired list. The company will endeavor to secure positions for other members of the staff or at least will treat them generously from a financial standpoint.

The Liverpool & London & Globe has taken high rank in the United States. Its first agency in this country was established in 1848. It has had continuous success and has passed heroically through all the vicissitudes, conflagrations and other catastrophes. For instance, it paid out in the Chicago fire \$3,239,091, which was a monumental sum in those days.

The western department was established in 1875 by William Warren, who served as its head until he died in 1889. William S. Warren, his son, was then Chicago local agent of the company. He and George Crooke were appointed managers of the western department. Mr. Crooke withdrew in December, 1892, leaving Mr. Warren in charge. On the retirement of Mr. Warren, R. H. Purcell was manager until his death, he being succeeded by W. P. Robertson. On Mr. Robertson's resignation, Mr. Cartledge became the manager. The Liverpool & London & Globe has always been conspicuous in western activities, being an organization company in every respect.

FLOATER POLICY PLAN GENERALLY FAVORED

INVESTIGATED BY OFFICIALS

Insurance Commissioners Appoint Committee to Study the Interstate Underwriters Board Project

WEST BADEN, IND., June 5.—Commissioner C. D. Livingston of Michigan, chairman of the fire insurance committee of the National Convention of Insurance Commissioners, had a meeting of his committee here this week. The main subject was a consideration of the plan of the Interstate Underwriters Board to systemize the practices and rates for floater policies covering chain stores and similar properties located in numerous points. It was voted to have Mr. Livingston, Commissioner Freedy of Wisconsin and Superintendent Beha of New York as a subcommittee to study the project more thoroughly and ascertain whether it can be harmonized with state laws. The committee favored the plan in principle and it is believed that the machinery can be adjusted nicely to meet all state requirements.

Growth of the System

Mr. Livingston spoke of the growth of the chain store in many different lines. First fire companies issued individual policies at specific locations. As the stores multiplied and spread to other states, the companies found themselves confronted with vexatious problems to meet the demands of the assured and comply with state laws as to rates and taxes. Then the inland marine floater was devised, as the state exactions as to marine insurance were less restricted. These policies covered merchandise, buildings and equipment. There was no logical rating system. States were deprived of their rightful taxes. Where there were state rating laws they were complied with as far as possible, but rates were cut to reduce the average in other states. Mr. Livingston said there was no way to get the correct rate. The business was written below the manual ranging from 25 to 40 percent. There was much confusion. At this time a committee of companies devised the proposed plan which has been approved by the fire organizations. It is really a rate publishing body.

Vincent L. Gallagher from the home office of the America Fore companies was called on to elucidate the new system. He said that a correct average rate would be secured and promulgated through the regular rating bureaus. The present rating systems will be employed and all the laws will be complied with. The states will be able to get their just share of taxes. All the commissioners seem to be in sympathy with the movement.

W. M. Corcoran, formerly Connecticut actuary, reported on the 50-50 policy. He said it has been practically abandoned in writing automobile collision insurance. It is employed in plate glass insurance. He said it is a deductible form and should be so recognized. It has met with success because, in his opinion, plate glass rates are too high. He said it had not proved a success in automobile collision insurance.

STATE OFFICIALS AT WEST BADEN SPRINGS

Executive Committee of National Convention of Insurance Commissioners Met

ONLOOKERS ARE PRESENT

It Was Decided to Hold the Next Annual Meeting in Rapid City in September

By C. M. CARTWRIGHT

WEST BADEN, IND., June 5.—The executive committee of the National Convention of Insurance Commissioners at its meeting here this week attracted a large attendance of officials



JESSE G. READ, Oklahoma Chairman Executive Committee

and camp followers. Jesse G. Read of Oklahoma, chairman of the committee, suffering from a boil on his arm, presided. The other members of the committee present were H. P. Dunham, Connecticut; S. A. Olsness, North Dakota; Robert Daly of Missouri, substituting for Commissioner Hyde; J. E. Sullivan, New Hampshire; R. A. Yenter, Iowa; C. C. Wysong, Indiana. The officers of the organization were all present, they being A. S. Caldwell, Tennessee, president; C. R. Detrick, California, first vice-president; J. A. Beha, New York, second vice-president; Joseph Button, Virginia, secretary. Mr. Detrick came on from the Pacific Coast as did Commissioner Clare A. Lee of Oregon.

Adopted Changes in Blank

At the first session Monday morning the committee on blanks headed by H. D. Appleton of New York presented some proposed changes for next year's

(CONTINUED ON PAGE 33)

LIQUIDATION ASKED FOR TWO ILLINOIS CONCERNS

NON-ADMITTED ASSETS HEAVY

Illinois Travelers Home and National Mutual Fire Are Found Seriously Impaired

Liquidation of the Illinois Travelers Home Fire and the National Lumber Mutual, both of Chicago, is asked for in petitions filed by the attorney-general of Illinois in behalf of H. U. Bailey, director of trade and commerce. Both companies are under practically the same management. The liquidation will be through the insurance department. The cause of the liquidation is said to be frozen assets. Reports of delay in the payment of losses by the Illinois Travelers Home have been current for some time.

The petitions for liquidation alleged that the assets of the Illinois Travelers Home are \$59,000 and liabilities \$257,000. Assets not admitted are ruled out to the extent of \$379,870. This wipes out both capital and surplus. Unpaid losses are given as \$98,000 and reinsurance reserve as \$125,000. The National Lumber Mutual's assets are given as \$40,000 and liabilities \$128,000 with non-admitted assets of \$249,000.

Under Same Management

George R. Hess is president of the Illinois Travelers Home and J. H. Hines chairman of the board. G. G. Gilkeson is secretary-treasurer of both companies. Mr. Hines is president and Mr. Hess vice-president of the National Mutual Underwriters, an Illinois corporation with \$5,000 capital, organized in 1921 to take over the management of the National Lumber Mutual.

Mr. Hines is a prominent and wealthy lumberman of Memphis, Tenn. Mr. Hess formerly had a general agency at Chicago for the Millers Mutual Fire of Alton, Ill., and when that general agency was discontinued he organized the Illinois Travelers Home. Mr. Hines is reputed to be the principal stockholder. A large share of the assets is in Louisiana and Canadian timber lands or timber land securities that apparently are not marketable.

Wrote in Hazardous Sections

The Illinois Travelers Home was licensed in Illinois, Ohio, West Virginia, Arkansas, South Carolina and Tennessee. It is said to have written a considerable business in southern Illinois as well as in the south. While it mostly obtained tariff rates, it wrote in sections where great care is necessary. Its premiums in 1927 were \$175,000. Its loss ratio on an incurred basis was 85 percent and its underwriting expense ratio 62 percent. In 1926 its loss ratio was 56 percent and expense ratio 54 percent. The assets reported Dec. 31 were \$437,990.

The National Lumber Mutual wrote \$108,000 in premiums in 1927, with a loss ratio of 63 percent and an expense ratio of 44 percent. The preceding year its loss ratio was 85 percent and expense ratio 28 percent.

An attempt was made to reinsure the Illinois Travelers in the Commonwealth of Kansas, but Superintendent Baker of that state refused to approve the deal. Recently \$60,000 in cash and securities were raised in the effort to save the company but it was too far gone.

Veteran Danville Agent Dies

DANVILLE, ILL., June 6.—Milton J. Wolford, aged 84, head of the Wolford Insurance agency, one of the largest agencies in the city, secretary of the Danville Benefit & Building Association and president of the Palmer National Bank, with which he had been associated nearly six decades, died last week after a long illness. He had been in the insurance business here half a century.

CLASSIFICATIONS FOR NEW JERSEY COMMISSIONS COMPLETED BY E. U. A.

NEW YORK, June 6.—Settlement, for a time at least, of the vexatious New Jersey commission problem, was effected when agents representing the New Jersey Association of Fire Underwriters and the county boards of Camden, Essex and Hudson, in joint session with a special committee of the Eastern Underwriters Association, accepted the risk classification prepared by the E. U. A. to govern the 15, 20 and 30 percent commission schedule previously sanctioned by the governing organization. The Home group of companies adopted the new plan, advising their New Jersey representatives of its substitution for that previously issued.

In addition to the 174 companies holding membership in the E. U. A., it is understood the commission scale and risk classification will be followed by a number of non-affiliated organizations, so that with few exceptions all companies operating in the state will be working under the plan. It is figured that for the average company the new arrangement will work out at slightly in excess of 25 percent over all, in so far as the northern section of New Jersey is concerned, and somewhat less than that in the southern field, which has a considerable amount of unprotected business. The former is the big revenue producing territory, including as it does the important manufacturing cities of Jersey City, Hoboken, Newark, Paterson, Perth Amboy and New Brunswick.

Brokers Control Much Business

No inconsiderable part of the business is controlled by New York City brokers, while risks in Camden county are held by brokers of Philadelphia. This fact coupled with the larger overhead compelled by agents in these centers induced the Eastern Underwriters Association to propose a somewhat higher commission arrangement for the three counties of Camden, Essex and

Hudson than that intended for the balance of the state, and the refusal of the local men in the latter territory to accept the plan was responsible for the enactment of the uniform commission law.

It is distinctly stated that the present plan is to be effective only until Oct. 31, 1925, unless prior thereto a different commission scale be named. It is assumed that a decision as to the constitutionality of the law will have been obtained from the court before the end of October, which is the reason for the companies' naming the end of that month as the period limiting the present arrangement.

The 15 percent classification is limited to farm risks and unprotected property, save that for certain types of risks in the latter category 20 percent is allowed.

Formal announcement is made by Corroon & Reynolds, managers of the largest group of non-affiliated companies, that the firm will conform to the commission scale adopted for New Jersey.

The complete schedule is as here given:

Thirty percent (30%) commission will be paid on the following buildings and contents (protected), the occupancies of which are only as designated:

Dwelling Houses—and their dwelling house contents, except all farm property.

Barns, boat houses, garages and greenhouses (private)—and their contents (when insured in connection with dwellings).

Apartment Houses—and their apartment house contents.

Note—In the case of insurance upon the contents of dwelling houses or apartment houses the inclusion of a physician's or dentist's equipment in the cover does not render the risk ineligible for the 30 percent rate of commission.

Bank Buildings and their bank contents.

Boarding Houses—"Brick"—(not sea—
(CONTINUED ON PAGE 31)

CONDENSED NEWS OF THE WEEK

Western department of the Liverpool & London & Globe at Chicago will be transferred to New York. **Page 3**

Executive committee of Insurance Commissioners' Convention meets at West Baden Springs. **Page 3**

The Agricultural has elected H. R. Waite president. Other changes made in official personnel. **Page 10**

Western men are opposed to absorption of western adjusting bureau activities in a National Board bureau. **Page 5**

Question of unauthorized companies big topic before insurance commissioners. **Page 8**

The Virginia Association of Insurance Agents met this week for its annual meetings. **Page 8**

The American Equitable of New York will add \$1,000,000 to its capital, making it \$2,000,000. **Page 12**

The American Constitution Fire and the American Home Fire are being organized by interests connected with Joseph S. Freilighuysen of New York. **Page 12**

Agents of the Fire Association are to be offered any portion of the company's 400,000-share stock issue remaining unsold after July 20. **Page 5**

The Kentucky Association of Insurance Agents has announced the program for its annual convention. **Page 4**

Settlement near in surety acquisition cost dispute in Chicago. **Page 35**

Western & Southern Life has bought control of the American Liability. **Page 35**

Southern Surety is reincorporating under New York law. **Page 35**

Indiana collision rate cut of 50 percent causes agitation among company representatives and agents, with the majority of the agency body favoring the reduction. **Page 5**

B. O. Evans of the Fidelity-Phenix is made president of the Ohio Fire Underwriters Association at joint meeting of field men at Columbus. **Page 9**

Gilbert L. Kerr will supervise United States, Canadian and Cuban territory for automobile business for Fire Association, Reliance, Victory and Constitution Indemnity. **Page 4**

State commissioners favor Inter-state Underwriters Board project. **Page 3**

Joint committee working to resolve Chicago commission tangle issues bulletin to Class 1 Chicago Board members requesting that they adhere to 15, 20, 25 percent scale until final action of committee is taken. **Page 15**

Liquidation asked for two Illinois companies. **Page 4**

Industrial accident and health companies show increased production but little improvement in loss situation. **Page 42**

June 27 to 29 is date set for officers' convention of the Travelers agents' clubs at Eastern Point, Conn. **Page 36**

The United States Casualty and the Metropolitan Casualty have approved the automobile damage arbitration plan. **Page 36**

J. C. Bradley of the Zurich is elected president of the Casualty Field Club of Illinois. **Page 36**

Compensation rate revision program approved in whole or part by many states. **Page 35**

GILBERT L. KERR GIVEN EXTENSIVE TERRITORY

INCLUDES CANADA AND CUBA

Will Supervise Automobile Lines for Fire Association, Reliance, Victory, Constitution Indemnity

Gilbert L. Kerr has been appointed joint manager of the automobile departments of the Fire Association, Reliance, Victory and Constitution Indemnity for the entire United States, Canada and Cuba. He formerly was with the Fireman's Fund.

Mr. Kerr was born in Buffalo, N. Y., and was graduated from the Lafayette high school in that city in 1909. He began his insurance career with the Casualty Company of America in 1915. In the same year he joined the Commercial Casualty, serving that company until 1917 as superintendent of the claims department, located at Brooklyn, N. Y. In 1919 he was made manager of the combined claims departments of the Commercial Casualty in New York City. In 1920 his responsibility was extended to include jurisdiction over underwriting as well as claims.

Field Widened in 1921

Mr. Kerr in 1921 was made chief adjuster of the metropolitan claim department of the Fireman's Fund and the Home Fire & Marine. These companies in 1924 added to his duties supervision of development work in New Jersey. It is this position he resigns to take up his new duties.

Mr. Kerr has proven himself an able underwriter and adjuster of claims for automobile lines written by both fire and casualty companies. Since he also is a capable organizer and executive his success in his new position is assured.

The Fire Association and the Constitution Indemnity have operated under a joint policy on automobile business since the Constitution was organized. Mr. Kerr's background of experience in both the fire and casualty automobile lines uniquely fit him to carry on under this policy.

Beha Likely to Lose Case

Those who have given much thought to the proceedings brought by the Firemen of Newark against Superintendent Beha of New York to restrain him from revoking its license because the New York law prohibits a company organized under its laws from having more than 50 percent of its free surplus invested in stocks of other insurance companies, believe that the company will win. Mr. Beha contends that New York does not permit its own companies to hold more in insurance stocks than its law permits. Hence he declares it is an injustice to allow companies of other states operating in New York to do so. The Firemen contends for the respect of state sovereign rights and holds that surplus in the meaning of the law means all over and above the deposit capital required for a company to secure a license.

Mr. Beha asserts that the Firemen has 60 percent of its capital and surplus invested in stocks of other insurance companies. He maintains that this is a dangerous tendency.

If Mr. Beha is defeated it is understood he will seek to have the law amended so that there will be no doubt about the New York law applying to outside companies and "surplus" will be exactly defined.

Ludlum Back From Coast

C. A. Ludlum, vice-president of the Home group, reached New York from his trip to the west coast some days ago, and is now posting himself as to matters that came up during his absence.

COMMITTEE AT WORK ON CHICAGO TANGLE

Joint Body Meets Class 1 Agents
and Cook County Managers
—Will Continue

GOES TO FRENCH LICK

Writers Who Are Most Concerned in
Situation Receive Bulletin from
Three-Part Council

Under date of June 5 the joint committee representing the Western Union, Western Insurance Bureau and Chicago Board issued a bulletin to class 1 members of the Chicago Board in which these members are requested "to refrain from making any new agreements, brokerage connections or Class 2 appointments on a higher commission basis than 15, 20 and 25 percent until such time as the committee makes its final report."

The Union committee consists of John M. Thomas, C. R. Tuttle and J. R. Wilbur; the Bureau committee of H. A. Clark, W. D. Williams and C. H. Yunker, and the Chicago Board committee of Nathan Klee, Charles P. Whitney and Oscar E. Aleshire. On Tuesday night the committee left for French Lick, Ind., where an attempt will be made to arrange a final agreement on the Chicago situation. The full text of the bulletin is as follows:

Demoralization Pointed Out

"You are familiar with the unfortunate demoralization existing in the conduct of the fire insurance business in Cook county. If the business is again to be placed on a basis profitable to both the companies and agents, and harmony is to be restored, it is generally admitted that something of an extraordinary nature must be done. This, in our opinion, can only be accomplished by reaching some agreement, which must be fair to all, in order to merit the wholehearted support of every member of the Board.

"The undersigned, comprising a joint committee, appointed by the Union, the Bureau and the Chicago Board, are now devoting their time and thought to the

COLLISION RATE CUT CAUSES STIR IN FIELD

COMMENDED AND CRITICIZED

Majority of Indiana Agents Believe
Decrease of 50 Percent Will Re-
sult Beneficially to Them

Considerable agitation has resulted in company and agency circles from the flat 50 percent cut the fire companies have made in the automobile collision rate in Indiana. The cut was made by the Western Conference companies primarily to meet the competition offered by a large and active Indiana reciprocal. Many Indiana agents believe that since the cut is so sweeping, affecting full and deductible covers on all makes of cars throughout the state, it will result beneficially for agents and companies. A representative group, however, dissents from this opinion, believing, without clearly stating the basis for the belief, that companies and agents will be harmed.

In the east, fire company representatives say that the cut, in view of the companies' experience, is unwarranted and unwise. The general feeling is that the Western Conference has permitted itself to become panicky and that the reaction on the fire business will be unfavorable. It is this possibility rather than concern for the collision cover alone that is the basis for the criticism originating in the east.

Besides the reciprocal, some non-conference stock companies have been offering the conference companies considerable competition in Indiana, and it is to meet the total of this competition that the slash was made.

study of the local conditions and the problems confronting all of us. We have pledged our time and labors in the hope that a satisfactory solution may be found in the not distant future.

"We feel, however, that a manifestation on the part of all members interested in the good of the business as a whole, is essential. The evidence that our members desire a change in present conditions can only be considered conclusive through immediate cessation of the 'excess' commission warfare now existing and by consequent strict adherence to present Board rules in this respect.

This committee, therefore, requests that until this committee has made its final report, all Class 1 members re-

FIRE ASSOCIATION'S AGENTS TO BUY STOCK

COCHRAN ANNOUNCES PLAN

Field Force to Be Offered Stock Re-
maining After July 20 from
400,000-Share Issue

Agents of the Fire Association will be offered any portion of the company's new stock issue of 400,000 shares that is not taken by July 20, the date on which the subscription rights of shareholders expires under the resolution of the board of directors ratified at the May 28 special meeting. The agents will be offered the stock on the installment purchase plan and to the extent of any portion to which they wish to subscribe.

The new issue is of 400,000 shares at \$10 par value, of which 100,000 will be distributed as a stock dividend from the surplus and 300,000 offered to shareholders at \$50 a share. The issue will increase the company's paid capital from \$3,000,000 to \$7,000,000 and the net surplus to \$18,000,000.

In his letter to the agents J. W. Cochran, president of the company, suggests that if by July 20 there is not unsubscribed a sufficient amount of stock to cover the agents' reservations, they buy stock in the open market. The announcement says that the company is prepared to make these purchases for the agents if the demand justifies such purchase. No price has been fixed for subscription rights, but an average will be based on the market sale of the rights and listed sharers. Sales will be made to the agents at cost plus a small carrying charge. The subscription terms to agents will be 10 or 12 monthly installments, carrying interest but without dividend accumulations until the shares are paid for in full.

frain from making any new agreements, brokerage connections or Class 2 appointments on a higher commission basis than 15, 20 and 25 percent. We are of the opinion that in justice to the fire insurance business and in the interest of all concerned, you should give your full cooperation to this request."

Jefferson Enters Massachusetts

The Jefferson Fire has been admitted to Massachusetts and has appointed Kaler, Carney, Liffier & Co., 200 Franklin street, Boston, as agents for Boston and the metropolitan district.

OPPOSE CENTRALIZING ADJUSTMENTS IN WEST

Bureaus Now Operating in That
Field Are Handling Losses
Very Satisfactorily

NEED NO CENTRAL BODY

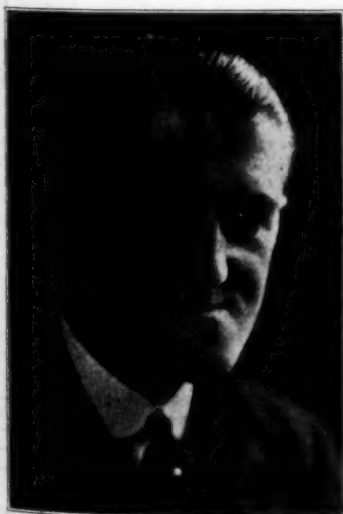
National Board Proposal All Right as
Guide and Goal, Western Men Say,
But They Want No Change There

Men who are in charge of western underwriting as a whole feel that any effort to consolidate western adjusting bureau activities in a National Board central body at this time would be a mistake. All hands agree that never in the central west has the loss adjusting situation from the bureau standpoint been more satisfactory. There are very few complaints heard regarding the two company bureaus, the Western Adjustment and the Underwriters Adjusting Company. The Cook County Loss Adjustment Bureau is functioning successfully in every respect. So remarkable has been its achievement that the two company organizations favor having similar bureaus organized in some of the other cities where complaints are heard regarding the loss adjustment situation, particularly Cleveland and St. Louis, where agency influence is particularly strong in loss matters.

The Western Adjustment was the first company adjustment bureau established in this country, being organized in 1885. The men who founded that bureau felt it desirable to employ the cooperative principle to adjustment of losses, thus reducing expense, time and effort. The General Adjustment Bureau in the east, the Southern Adjustment Bureau in the southeast, the Texas Adjustment Company and the Pacific Coast Adjustment Bureau in the far west were patterned after the Western Adjustment. The Underwriters Adjusting Company was established by Western Insurance Bureau companies and its constituent members are delighted with the way it is being conducted and the results achieved.

Western men would deplore any change or modification in the plans fol-

FIGURE IN REMOVAL OF WESTERN DEPARTMENT OF L. & L. & G.



HAROLD WARNER
United States Manager



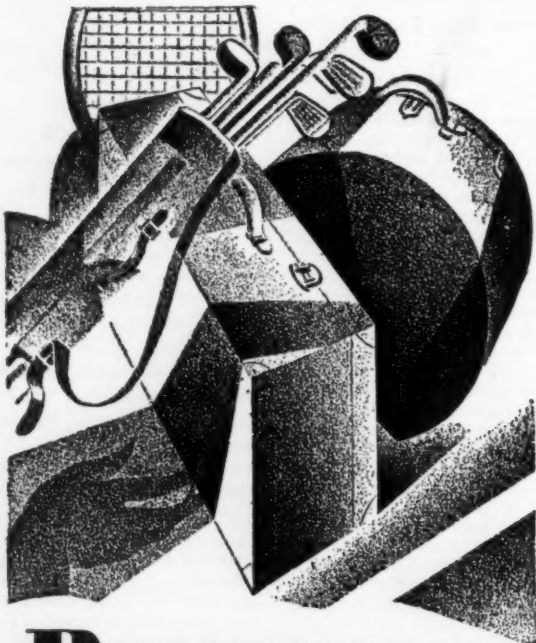
H. T. CARTLIDGE
Western Manager



M. H. GRANNATT
Assistant Manager



C. L. CORBET
Agency Superintendent



Remove the Shadows

Invincible shadows hover over every vacation trip. Its joys can be clouded at any moment by the annoying loss of personal belongings. The danger is present from the moment the vacationist steps out of his door.

Our agents are getting closer to their clients and closer to prospective clients by concentrating *now* on the protection offered by Personal Effects Insurance. They are making a surprising summer sales record by removing the shadow of loss by theft, fire, and the hazards of transportation.

How? By showing that Personal Effects policies are good *all year round*, anyplace away from home. By proving that day for day, this is the most reasonable, as well as one of the most essential forms of insurance obtainable.

Agents are invited to write for Selling Points and Outline of the Personal Effects Policy.

**THE LIVERPOOL
AND LONDON
AND GLOBE
Insurance Co Ltd**

Executive Offices: 1 Pershing Square
Park Ave. at 42nd St., New York, N. Y.

80th
Year in the
United States

Western Dept. CHICAGO
Pacific Coast Dept. SAN FRANCISCO

THE NATIONAL INSTITUTION WITH A WORLD WIDE BACKGROUND

lowed in Western Union territory which are uniformly satisfactory. The work is being conducted efficiently and economically. The general impression prevails that while the report of the committee on adjustments of the National Board might well be taken as a declaration of principles and used as a guide and goal, it would be unfortunate to disturb the conditions in the central west, concerning which there is no complaint and which could not be well improved.

Central West Situation Satisfactory

There have been complaints of the adjustment situation in other parts of the country which undoubtedly led to the report of the committee. The abuses in the adjusting system in the central west are not found in the bureaus. The Cook County Loss Adjustment Bureau has been a success because the companies made it mandatory to send their losses to the bureau. Both the Western Adjustment and the Underwriters Adjusting Company have proved their capacity in case of tornado catastrophes in their territory. The loss situation at St. Louis last year was admirably and ably conducted. Equally so were the results of the big storm in southern Illinois, southern Indiana and elsewhere the year previous.

The main difficulty in the adjustment situation is the interjection of agents into loss matters with the purpose of favoring the customers. This condition found in some localities is due entirely to the companies themselves.

Those who have followed closely the adjustment situation in Western Union territory declare that the way losses are handled by the present bureaus demonstrates their capacity, efficiency and economy in operation.

EDUCATIONAL METHOD APPROVED BY BEHA

Superintendent J. A. Beha asserted recently that one of the greatest needs of the insurance business was to explain to the general public just what insurance is and what it does. Speaking to a representative of the General Brokers Association he announced his hearty endorsement of the plan of that body to introduce the study of insurance into the business schools of the country, a suggestion advanced by S. Nichol Schwartz, a prominent figure in the brokers' organization.

"The public knowledge and better understanding of underwriting methods," said Mr. Beha, "is bound to react not only to the benefit of the insurance business, but the employers of business school graduates.

"An employee instructed in insurance matters will be able to give his employers better service and protection than one who is not so trained. It will do away with the natural prejudice which exists in the popular mind.

"I should like to see the day when insurance will be taught in every business school in the land, no less than is book-keeping and typewriting. It is easier to build up a sympathetic attitude toward the institution of insurance when the meaning of insurance is properly understood.

"Insurance is now an integral part of every business enterprise, and it is inconceivable that business may be carried on safely, without at least an elementary understanding of the insurance problems by the head of the business or by an accredited employee.

"In instituting the insurance course in the Drake Business Schools, the General Brokers' Association has embarked on a public educational program which similar organizations throughout the state might well follow."

The Alexander-Bohon-Pensinger Company, Decatur, Ill., has taken over the insurance and real estate business of Clarence E. Drake, who is retiring from active business. The Drake agency was one of the oldest in the city, having been founded by the late J. L. Drake and continued by his son, Clarence.

COURT DENIES RIGHT TO LIMIT EXEMPTIONS

DECISION UPHOLDS COMPANY

Tax Free Securities Cannot Be Subjected to Burdens by Method of Calculation

WASHINGTON, June 6.—Provisions of the revenue act of 1921 levying a tax upon interest, dividends and rents received by insurance companies can not be applied to interest on tax exempt obligations of the state or federal governments, it was held June 4 by the United States Supreme Court in a decision reversing findings of the United States Court of Claims in the case of the National Life. These provisions authorized the deduction from gross income of the interest from tax-exempt bonds, or of an amount equal to 4 percent of the mean insurance reserve, whichever sum is the greater and no deduction was to be allowed if the income from tax-exempt bonds equaled or exceeded 4 percent of the required reserve. The company maintained that the result of the collector's action with respect to its interest from tax-exempt bonds was to discriminate against it unlawfully and in reality to exact payment on account of its exempt securities, and sought the return of \$92,490. The court of claims ruled in favor of the government.

Cannot Impair Exemption

The supreme court, in its decision, pointed out that the effect of the collector's action was to require the company to pay more upon its taxable income than could have been demanded had it been derived solely from taxable securities. A taxpayer, it was held, may not be subjected to greater burdens upon his taxable property solely because he owns some that is free, and no device or form of words can deprive him of the exemption for which he has lawfully contracted.

"The suggestion that as Congress may or may not grant deductions from gross income at pleasure, it can deny to one and give to another is specious," the court declared, "but unsound. The burden from which federal and state obligations are free is the one laid upon other property. To determine what this burden is requires consideration of the mode of assessment, including, of course, deductions from gross values. What remains after subtracting all allowances is the thing really taxed.

"It is settled doctrine that directly to tax the income from securities amounts to taxation of the securities themselves. How far the United States might repudiate their agreement not to tax we need not stop to consider. Counsel do not claim that here state obligations should have more favorable treatment than is accorded to those of the federal government. The revenue act of 1921 expressly disavows any purpose to tax interest upon the latter's obligations. Congress had no power purposely and directly to tax state obligations by refusing to their owners deductions allowed to others. It had no purpose to subject obligations of the United States to burdens which could not be imposed upon those of a state.

Provision Held Ineffective

"Considering what has been said, together with the saving clause just quoted, and the manifest general purpose of the statute, we think that provision of the act which undertook to abate the 4 percent deduction by the amount of interest received from tax-exempt securities can not be given effect as against petitioner under the circumstances here disclosed."

The case was remanded to the court of claims in conformity with the decision.

EDUCATIONAL WORK RECEIVES ATTENTION

The National Underwriter Gets
Out New Course on Property
Insurance

INGRAM IS THE AUTHOR

Lessons Are of Practical Value to the
People Who Are Soliciting
This Class

The first lessons of THE NATIONAL UNDERWRITER sales training course in property insurance came from the press this week. This course of 21 lessons, written by Dwight Ingram of the insurance firm of Griffin, Ingram & Pfaff of Chicago, has been carefully prepared over a period of the last two years. Mr.



DWIGHT INGRAM

Ingram has had experience in several fields connected with the fire insurance business. He has served as an agency engineer and is now an active member of an insurance agency.

In preparing the course, Mr. Ingram has had the special assistance of his brother, Carl E. Ingram, assistant manager of the Westchester, western department in Chicago. The course has had also the benefit of criticism from other leading company executives as well as special agents and local agents. John F. Ankenbauer, former secretary of the Cincinnati Fire Underwriters' Association and now with the Albert W. Shell agency in Cincinnati, went over all lessons carefully.

Object of the Course

The course is therefore presented with the greatest of care and attention to the following points:

1. Practical value for the man who takes the course.
2. Accuracy of statement.
3. Manner of presentation, both as to writing and typography.

The principal object of the course has been to present information which could serve to obtain and hold business. Every lesson is solid and practical and there is no padding or mere "pep" sales talks. It is recognized that while much has been written on fire insurance and its allied lines, nowhere has there been presented in concise form just those fundamentals regarding the subject which should be well understood and known, if a man is to be successful in producing business. Though the course

is issued primarily for the benefit of the man entering the business, it has been pronounced of great value for agents and special agents who may have been in the field for a long time by reason of the unusually concise, yet complete, review of fundamentals. Even those with long experience in the business who have examined proofs and manuscripts declare that they have found many valuable pointers for getting and holding business.

Accuracy Was an Object

The greatest care has been taken to insure accuracy of statement. Every sentence has been checked and rechecked by company executives, special agents and local agents to insure that every suggestion may be regarded as proved and tested information.

The manner of presentation has long been recognized by educators as an important factor in determining success of text books. Members of THE NATIONAL UNDERWRITER staff have given special study to this subject and correspondence course lessons recently issued by the publishers have received the highest commendation as examples of the way in which information may be presented in an interesting way and yet so organized, and arranged typographically, that the material is made easy for the mind to grasp. Bold face, italics, headlines, outline presentations, all help through the eye to organize for practical use the sales information in the course. The course therefore offers information of practical sales value presented accurately and concisely in a form designed to help the mind assimilate it.

Lesson Titles

Here are the lesson titles and the order in which they appear in the course:

1. The opportunity and need for selling property insurance.
2. Position and duties of the insurance salesman.
3. Basis of fire insurance.
4. What the agent and insured should know about the standard fire insurance policy.
5. Fitting the fire policy form to the individual risk.
6. Obligations of the insured under the policy contract.
7. Loss adjustments.
8. Rating schedules and fire prevention.
9. Competition with other kinds of insurance companies.
10. Loss due to interruption of business (use and occupancy).
11. Rents, leasehold and profits insurance.
12. Special forms for big risks.
13. Windstorm insurance.
14. Automobile insurance.
15. Earthquake, rain, flood and hail insurance.
16. Marine insurance.
17. Sprinkler leakage, explosion, other allied lines.
18. Organizing the salesman's work.
19. Charting your prospect's insurance needs.
20. Finding prospects.
21. Principles of insurance salesmanship.

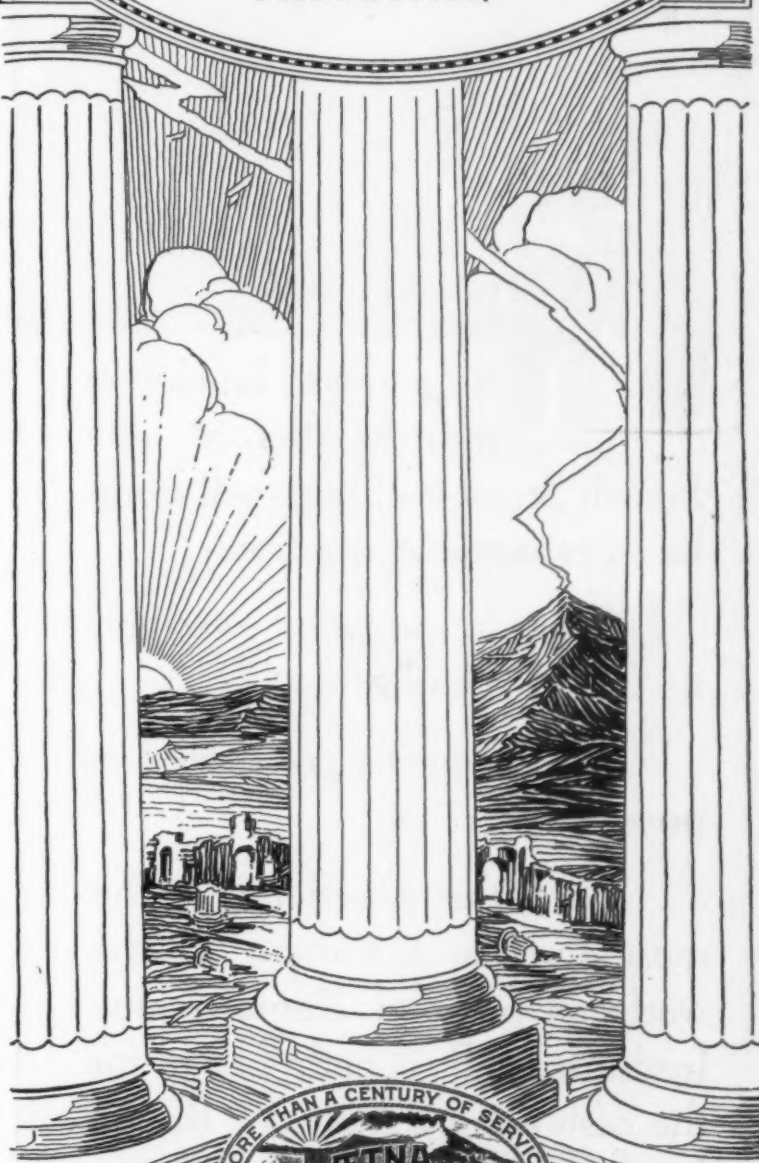
The course will be handled like any other correspondence course. Questions are given at the end of each lesson and the answers are to be examined and graded by Mr. Ingram, who will also make comments for the benefit of those taking the course. Students may enroll now by addressing THE NATIONAL UNDERWRITER.

Industrial Fire Increases Capital

The Industrial Fire of Akron, O., will take formal action this week on increasing its capital from \$300,000 to \$500,000. The plan which has been approved by the stockholders provides that the present shareholders will be given rights to subscribe for new stock at \$20 per share in proportion to two new shares for each three shares held. Par value of the stock is \$10 per share so an additional \$200,000 will be added to the surplus fund as well as to the capital by the sale of additional shares.

THE AETNA FIRE GROUP

Three Great Companies
Providing Strong and Dependable
Insurance in FIRE and ALLIED
LINES and in CASUALTY and SURETY
PROTECTION



MORE THAN A CENTURY OF SERVICE

THE WORLD FIRE & MARINE INSURANCE COMPANY
HARTFORD, CONN.

AETNA (FIRE) INSURANCE COMPANY
HARTFORD, CONN.

THE CENTURY INDEMNITY CO.
HARTFORD, CONN.

THE REWARD OF SERVICE IS MORE SERVICE



it's going to be eleven months before our Fourth Street buildings will again be in tenantable condition?"

"Yes sir, provided you give us the go-ahead to-day."

"By all means get started at once."

"Sam, this experience is the most forcible argument in the world in favor of Rental Value Insurance. If it hadn't been for the cash money from our Rental Insurance policy we would be in a very sorry way, financially."

Rental Value cover, well known as "Keep-A-Roof-Over-Your-Head Insurance" is the Siamese-Twin of Fire Insurance and JUST AS NECESSARY.



Our agents have no difficulty in selling this cover to clients who never considered this cover before the receipt of one of our "agency aids."

★ Registered

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OUTLAW COMPANIES PUT ON THE GRIDDLE

Insurance Commissioners Discuss Means to Deal With the Unlicensed Institutions

MENACE TO THE PUBLIC

Issue Will Be Taken Up With Federal Authorities if Evidences of Fraud Be Seen

WEST BADEN, IND., June 5.—The committee on unauthorized insurance of the National Convention of Insurance Commissioners met here this week with Ray Yenter of Iowa presiding. Commissioner Caldwell of Tennessee stated there were concerns in Philadelphia, New Jersey, Michigan and Indiana flooding the mails with circulars to agents soliciting business in foreign companies, none of which are admitted in any state. An outfit of this type solicits no insurance in the state where it is domiciled but does all its business by mail in other states. Owing to the United States Supreme Court decision governing such cases, it is impossible to deal with them unless fraud can be proved. Mr. Caldwell said these concerns are paying but few fire losses and are fleecing the people. It was moved to have Mr. Caldwell take up the subject with the U. S. Department of Justice and see if any redress can be had. Mr. Wysong of Indiana said there were concerns in his state writing business outside. One of the companies was a Portuguese institution that had been out of business for 10 years. The others were nondescripts from England and France. He urged the officials to send in letters sent to their states by the Hoosier outfits and he would place the evidence before the U. S. authorities on the ground that the mails were being used for fraudulent purposes.

Commissioner Livingston's Analysis

C. D. Livingston of Michigan said there were three situations with which to deal. The first was the brokerage concern dealing in companies not licensed in any state but not operating in the state where its headquarters were located. It is difficult under the state laws to reach such offices. He recommended that state laws be amended to provide that any person or concern soliciting insurance in outside states even if it does not solicit in its home state be required to be licensed by its home state. He urged prosecution under the federal laws where concerns were found using the mails and defrauding the public.

Second Unlicensed Class

Mr. Livingston said the next class was exemplified by the company licensed in its own state but doing a mail order in other states. Where a company complies with its state laws in all respects, Mr. Yenter pointed out, it is difficult to curb its activities in other states where it is not licensed. M. A. Freedy of Wisconsin, Col. Button of Virginia, Mr. Caldwell and Mr. Livingston felt that the home commissioner could use pressure on such a company and force it to cease back door methods. Mr. Yenter contended a commissioner was not justified in using strong arm tactics where he had no law to uphold him. Mr. Freedy said he had the Wisconsin law amended to provide that a license could be withheld if the commissioner found a company engaged in irregular practices. If he found a Wisconsin company doing business in

URGE COOPERATION AT VIRGINIA CONVENTION

Agents Gather at Old Point Comfort for Annual Session

R. P. DEVAN ON PROGRAM

Caleb D. West Welcomes Agents—National Council Secretary Explains Compensation Rate Making

OLD POINT COMFORT, VA., June 6.—Wholehearted cooperation with companies in furtherance of public relations work was pledged at the 36th annual convention of the Virginia Association of Insurance Agents held at Old Point Comfort this week. When Dan C. Coulbourn, president of the Fire Insurance Field Club of Virginia urged the establishment of a closer liaison between the members of the association and the field club in carrying forward that work, he was assured that the Virginia agents stood ready and willing to cooperate in every way possible. He said that there is too much condemnation of stock fire insurance and that the public needs to be educated and shown that it is an honorable business. The field club has a special committee of public relations which is already functioning well, he said. Louis T. Dobie of Norfolk, chairman of the executive committee of the Virginia association informed him that James T. Catlin, Jr., of Danville, is chairman for Virginia in the public relations campaign which the National association is going to put over and that the key men which Mr. Catlin is selecting to push the work in Virginia would be more than pleased to link up with the company representatives in carrying out whatever plans (CONTINUED ON PAGE 29)

other states without a license he would refuse to grant it a permit owing to this law. He has a case on hand now where he has clamped down the lid to good effect on a Wisconsin company.

Capt. W. R. Baker of Kansas said complaint had been made of the Federal Reserve Life of Kansas, Kan. He had taken the matter up with its officials and no policy had been issued in unlicensed territory since October last. He declared that Kansas, Iowa, Nebraska and Missouri did not house all companies doing an unlicensed business.

Mr. Yenter said much complaint had been made against the Union Mutual Life and Union Mutual Casualty of Des Moines, but he was powerless so long as they complied with the Iowa laws. The Postal Life of New York was mentioned as one of the chief offenders in writing in states where it is not licensed. Publicity was suggested as a big weapon in dealing with unlicensed companies. Where commissioners broadcast warnings, the people will listen.

Mr. Livingston mentioned the third group of offenders as centering in a flotilla of fire companies. One or two companies of a fleet will be licensed. The rest will write insurance in the state through big city brokers although they are not licensed. He condemned this practice as most reprehensible. He said he had refused to relicense the admitted companies of the group unless he received a letter from a responsible official stating no business would be written in the other unlicensed companies in the state.

FIRE UNDERWRITERS OF OHIO CHOOSE OFFICERS

B. O. EVANS MADE PRESIDENT

E. C. Turner, States Attorney General, Addresses Joint Meeting of Union, Bureau Field Men

COLUMBUS, O., June 6.—E. C. Turner, attorney general of Ohio and Republican candidate for the governorship nomination, addressed a joint gathering of the Union and Bureau field men here Tuesday morning. Following Mr. Turner's address the two field organizations met. Routine business occupied attention of the Bureau organization. Officers were elected in the Union meeting.

B. O. Evans of the Fidelity-Phenix was made president of the Ohio Fire Underwriters Association. Other officers elected were Herbert H. Chittenden, Home, vice-president; Aaron Jones, New Hampshire, secretary-treasurer; Fred Sipp, Hartford, and Ted Powers, Phoenix. Executive committeemen for two years, and William Reed, Northern, for one year. Holdover members of the committee are Arthur Lohmeyer, Aetna, and C. B. Patterson, Glens Falls, who have one more year to serve.

Two Made Members

Paul Stebbins, special agent of the Queen, and Russell H. Dunbar, special agent of the Home, were admitted to membership. Visitors present who spoke briefly were George Kessberger of Detroit, who was made an honorary member; L. J. Bonar of Mansfield, dean of Ohio insurance men; Fred Ransom of the western department of the Providence-Washington; Richard Teano, examiner of the Central Fire of Baltimore, and A. D. Yeaton, general agent of the New Hampshire. Mr. Bonar urged that a field men's monthly meeting be held in Mansfield before the close of the year.

President Evans appointed B. T. Duffey of the Royal, John Cashel of the Providence-Washington and Philip Beebe of the Hartford a special committee to bring in suitable resolutions on the death of President Ben Tinsley.

Ganders Splash

The Ohio pond was full of water Tuesday for the annual golf splash and dinner-dance of the Blue Goose. It stopped raining just long enough to allow the golfers to compete for the new cup. There were 127 ganders and guests present for the dinner Tuesday evening. The golf cup was won by H. W. Rollins of the National Union, who had the low net score. The cup remains in the permanent possession of anyone who wins it three times. The first cup, which had been won twice by the late Ben Tinsley, is being presented to Mrs. Tinsley. W. E. Gable, Columbus manager of the Underwriters Adjustment Bureau, won second prize of six golf balls for the low gross score. Other winners of one, two or three golf balls were Preacher Hoag, John Cashel, C. B. Patterson, Ralph Lears, John Gobel, Allen Rinker, Robert J. Gray, George Gross and D. E. Gallagher. Winners at the ladies' bridge party in the order named were the Mesdames Howard Evans, George Gross, Floyd Wright, Thomas Allaire, C. B. Patterson and Clark Morgan.

As a token of appreciation for his service as most loyal grand gander last year, Ralph Hukill was presented with a handsome gold watch. John Gray presented the watch and the golf prizes on behalf of the pond. Fred Ransom of the western department of the Provident-Washington delighted the crowd with a recitation on baseball. After the dinner the evening was spent in dancing. Committees appointed by President Earl Reid, in charge of the affair, included

(CONTINUED ON PAGE 43)

KANKAKEE AGENCY HAS ITS FIELD DAY

SCHNEIDERS WERE HOSTS

Number of Illinois Special Agents Were Guests This Week at the Golf Tournament

W. A. Schneider & Sons, well known local agents at Kankakee, held their ninth annual field day Tuesday of this week. This has become an event that is looked forward to by those invited to Kankakee by this sterling agency. Although it was a gray day the golfers were active at the country club. J. E. Knapp of the Concordia won the trophy. C. C. Nicholson, local agent of Decatur, and Charles N. Brown of the Illinois Life were also accorded honors. Luncheon was served at the club house and then all adjourned to the summer home of F. O. Schneider, tastefully nestled in the woods on the banks of the Kankakee river. In the contest of bed time stories there R. A. Buckman of the Royal took first prize.

Guests at the Outing

The following were the guests: J. D. La Teer, Agricultural; W. L. Schreiber, American; C. N. Ingalls, Camden; J. E. Knapp, Concordia; J. N. Thelen, Concordia; Harry Johnson, Globe & Rutgers; George Brown, State of Pennsylvania; Edward Enck, Milwaukee Mechanics; A. E. Jensen, National Ben Franklin; A. H. Knight, National Liberty; Parker N. Brady, National Liberty; Lloyd Brown, Firemens; B. J. Morgan, Security; William Funkhouser, United States; Charles King, United States; R. N. Meyer, F. H. Crowther and Carl Joos, Fidelity & Casualty; Samuel Foster, Western Automobile; Charles N. Brown, Illinois Life; George Mielke, Commercial Union; R. A. Buckman, Royal, and C. C. Nicholson, of Decatur.

New Company Ready Aug. 1

Harold W. Letton, who is promoting the Fire Insurance Company of Chicago, states this week that the organization will likely get under way about Aug. 1.

Pavonia Men Entertained

Directors and agents of the lately formed Pavonia Fire of Jersey City were entertained at luncheon by its officials at Trenton, Wednesday. The honor guests were Governor Harry A. Moore, State Comptroller A. K. Bugbee and Harry A. Goodshall, president of the New Jersey Association of Underwriters.

Brooklyn Fire Statement

The March 31 statement of the Brooklyn Fire, one of the Corroon & Reynolds companies, shows assets of \$4,762,920; unearned reserve of \$985,078, and a net surplus beyond its capital of \$1,000,000 of \$1,500,000.

Hearing on Russian Cases

A further hearing as to the disposition of the surplus funds of the liquidated Russian fire reinsurance companies liquidated by the New York department was held before Referee Robert L. Lune in New York City Tuesday. Former directors of the corporations now living in Paris seek the funds, as does also the Soviet government. The situation is a tangled one and has been heard in various courts during the past two or three years.

Pieper Back from France

E. G. Pieper, president of the Rhode Island Fire and United States manager for the Union of Paris, is home from his trip to France, whither he went to attend the one hundredth anniversary of the organization of the Union.



There's worthwhile beauty in these business-like desks of steel

A GOOD looking office undeniably radiates prosperity. It creates a pleasant, business-like atmosphere, that bespeaks dignity, efficiency, success.

GF desks of steel, with their beauty of line and deep rich finish, go a long way towards making an office attractive and altogether liveable.

In the private office, or the larger general office, they contribute not only good looks, but exceptional utility and the lasting durability that only steel can possess. And the restful Velvolum top is an ideal writing surface.

These are reasons why such fine desks have won places in the offices of so many firms whose names are household words throughout America.

Another reason is this—their cost is exceptionally low.

THE GENERAL FIREPROOFING COMPANY
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BRANCHES AND DEALERS IN ALL PRINCIPAL CITIES

The GF Allsteel Line: Safes • Filing Cabinets • Sectional Cases • Desks • Tables • Shelving • Transfer Cases • Storage Cabinets • Document Files • Supplies

GF Allsteel
OFFICE EQUIPMENT

Attach this coupon to your firm letterhead

THE GENERAL FIREPROOFING COMPANY • Youngstown, Ohio N. U.

Kindly send me a copy of the GF Allsteel Desk Catalog.

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Guessing is Popular —but is it worthwhile?

We guess we can beat the train—guess we can afford a car—guess we can get married—guess we are making money—or have enough insurance.

Undoubtedly guessing is rather popular but when it comes to protection the practice is very likely to end in disaster.

There is no need to guess (or take his estimate) the insurable value of your client's plant or property. Lloyd-Thomas appraisals* make possible your knowing exactly.

*****WHAT IS AN APPRAISAL?—**It is a complete classified inventory of insurable property (except stock, merchandise and raw materials). Each item of property is valued at today's cost to replace new. The amount of accrued depreciation is determined and the sound insurable value is given.

*****ITS ADVANTAGES—**1st—It discovers insurable values that have long been written off the books through unscientific depreciation—2nd—It gives the agent, the assured, and the companies value facts of property. 3rd—It makes for adequate insurance protection, for in nearly every instance it calls for additional insurance.

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JOHN H. GRIFFIN, President

1928

NORTHWESTERN

FIRE AND MARINE INSURANCE COMPANY
MINNEAPOLIS, MINNESOTA

Isn't it worth while

To know that you have a
company in your agency
that has the facilities
and desire to serve
you completely and
satisfactorily?

Fire Tornado Lightning Automobile Hail Rents Use and Occupancy

AGRICULTURAL ELECTS H. R. WAITE PRESIDENT

MACHOLD TO HEAD DIRECTORS

W. H. Seaver Advanced to Secretary
and H. W. Tomlinson Assumes
Control of Treasury

WATERTOWN, N. Y., June 6.—The Agricultural at a regular meeting of the directors made the following changes in the official staff of the company.

H. E. Machold became chairman of the board, a newly created position; H. R. Waite was elected president; W. A. Seaver, secretary, and H. W. Tomlinson, treasurer. The other officers remain unchanged.

Mr. Machold has long been identified with the Agricultural as a member of the board. His other interests include chairmanship of the board of the Northern New York Trust Company, the presidency of various public utilities



H. R. WAITE
New Agricultural President

connected with what is known as the Carlisle group of power companies. He served as a member of the legislature of New York and concluded his career there as speaker of the assembly. He is a trustee of the Equitable Trust Company of New York.

Started as Office Boy

Mr. Waite was born in 1876 in Rodman, N. Y. He graduated from Watertown high school in 1894 and in the same year went to work for the Agricultural as office boy. He advanced by various stages through the accounting and financial side of the business, and was made chief accountant in 1907, cashier in 1915, treasurer in 1920, secretary-treasurer in 1924, and was made a director in the same year. He is a director of the Jefferson County National Bank and Jefferson Securities Company, of Watertown; a trustee of the Watertown Savings Bank; director and treasurer of the Watertown chamber of commerce.

Secretary Seaver's Career

Mr. Seaver was born in 1891, in Brownville, N. Y. He left high school to enter the employ of the Agricultural in January, 1906, as office boy. He worked in various departments, including the accounting and underwriting branches of the business, until September, 1919, when he was appointed special agent to supervise the company's business in Ohio, with headquarters at Columbus. Mr. Seaver continued in that capacity until January, 1925, when he was recalled to the home office, and appointed executive special agent, travel-

DRASTIC ACTION TAKEN IN NORTH CAROLINA

MICHIGAN IN SAME MIND

Insurance Commissioners Decry Back
Door Methods of Unlicensed Com-
panies of Big Fleets

Insurance Commissioner Dan C. Boney of North Carolina has revoked the license of a company in a well known group operated from New York because other companies under the same management but not admitted in North Carolina wrote an Elks Temple building through a New York broker. Commissioner Boney takes the position that he will not tolerate one or a few companies of a group licensed regularly in his state and others under the same management not being licensed and writing business through non-resident brokers. Insurance Commissioner C. D. Livingston of Michigan has the subject up with the same group of companies, finding that brokers in Chicago and New York particularly are using the unlicensed companies of the group in Michigan. Commissioner Livingston at the recent meeting of the executive committee of the National Convention of Insurance Commissioners at West Baden, Ind., came out very strong against this practice.

ing country-wide in the interests of the company's automobile department. He was appointed agency secretary in January, 1926.

Mr. Tomlinson was advanced from the position of assistant treasurer to fill the vacancy caused by Mr. Waite's promotion from the office of secretary-treasurer.

Machold Legislative Veteran

Mr. Machold, the new chairman of the board, is a prominent business man of western New York, and in addition was for several years one of the leaders in the Republican party of the state. As speaker of the assembly he heard arguments when Samuel Untermyer was trying to force through new legislation affecting fire insurance operations and was able to counter many of the arguments advanced by the prominent attorney. Mr. Untermyer at one of the hearings complained that some "malign influence" seemed to be blocking his pet measures. Mr. Machold frankly admitted that he was one of the obstructionists, and in response to a heated inquiry from the attorney as to "who he was," calmly answered that he was merely speaker of the lower house. By virtue of his close interest with banking and fire insurance corporations, Mr. Machold was well posted as to their operations and during his entire legislative career was steadfast in his opposition to all bills seeking to hamper their activities without affording any advantage to the general public.

Agents Reject E. U. A. Agreement

PHILADELPHIA, June 6.—Forty-eight of the 53 local agencies in the Association of Fire Insurance Agents of Philadelphia have pledged their refusal to accept the agency agreement offered them by companies in the Eastern Underwriters Association to govern commissions in the excepted territory of Philadelphia. It is reported that two of the four companies that originally accepted the agreement have now rejected it but have not yet signed the pledge with the other agencies.

Previously to issuance of the pledge it was reported that the Philadelphia agencies had accepted the Eastern Underwriters Association agreement. A number of the large agencies in the city began issuing letters calling attention to the falsity of the report immediately after it went on to "the street."

KENTUCKY ASSOCIATION PROGRAM IS ANNOUNCED

STANLEY MAYNARD WILL TALK

Many Excellent Speakers Scheduled for Association's Annual Convention at Louisville, June 28-29

LOUISVILLE, KY., June 6.—One of the very best programs that has ever been arranged by the Kentucky Association of Insurance Agents is now being whipped into shape for its annual meeting June 28-29 here.

Charles L. Gandy, president of the Alabama association, will be the National association representative, and will talk Thursday morning. Leon P. Lewis, Louisville attorney and state senator, will be a speaker at the banquet that night. On Friday morning George H. Ewald of the Union Central Bank, Louisville, will discuss "Banks and Insurance."

John F. Stafford, Chicago, western department manager of the Sun, is also to be on the program. Stanley Maynard, vice-president of the New York Indemnity, and manager of the western department at Chicago, will discuss surety lines. Friday afternoon Commissioner Shelton M. Saufley will speak. J. E. Bowman, special agent for the Fire Association, will speak on "What the Field Man Thinks of the Local Agent." George A. Burkley, Louisville, will lead a discussion regarding the standard automobile certificate. S. B. Moxley, Shelbyville, Ky., will discuss "Relations of the Kentucky Actuarial Bureau and the Local Agents." "Bank Agencies," is the topic assigned to Edward J. Miller of Louisville.

Several men have been invited to appear on the program, including Edson S. Lott, United States Casualty, New York; Frank M. Chandler, Chicago, Employers group; G. E. Turner, general counsel, Casualty Insurance Clearing House, Chicago; and Young E. Allison, Jr. of the "Insurance Field," Louisville.

A. G. Chapman of the Chapman Insurance Agency, Louisville, as president of the Louisville Board, will deliver the address of welcome. Leo E. Thieman, secretary of the Louisville Board, will talk on "Relations of the Public and Insurance Organization." Paul H. Eastham of Ashland, Ky., president of the body, will preside.

GRAIN AREA IS BURNED OVER

Section 30 Miles Long by 15 Wide Is Swept by Fire in California—
Loss May Be \$500,000

SAN FRANCISCO, June 6.—What is believed to be one of the most serious losses on standing grain in California in years occurred Sunday, Monday and Tuesday of this week when an area said to be from 15 miles in width north and south to 30 wide east and west was burned over in three fires, in the same section west of Arbuckle and Dunning northeast of San Francisco. At the same time 800 acres of grain were destroyed a few miles farther south at Davis.

On Tuesday offices writing grain were busy checking reports and records in an effort to arrive at some estimate of the loss. It was reported that one office is involved to the amount of \$60,000, another for \$55,000, while the few remaining grain writers were graduated down to a few hundred dollars. In one section known as Hungry Hollow, which is reported to be entirely wiped out, the barley was valued at \$2.20 per 100 pounds, and called the finest in the world. An eye witness of the two main fires, which joined at Capay, reported that the total loss may reach \$500,000, although the property loss on buildings was small.

CHANGES IN THE FIELD

JOHN O. WHITE HAS RESIGNED

Kentucky and Tennessee State Agent of Sun and Patriotic Joins Credit Survey Company

John O. White, state agent of the Sun and Patriotic in Kentucky and Tennessee, has resigned after 15 years of field activity in these two states to go with the Frost-Lewis Company of Nashville, Tenn., a credit survey house of 35 years' standing.

Mr. White has been one of the outstanding field men in the two states in which he has traveled, and left field work only because he was offered an unusual opportunity in another line of endeavor.

E. H. Wylie

Morrison & Co. of Omaha announce the appointment of E. H. Wylie, formerly state agent for the Twin City Fire in Nebraska and Iowa, as special agent for their office, representing the

Globe & Rutgers in Nebraska and Iowa with headquarters in Omaha. Mr. Wylie has had several years field experience and is well and favorably known by the agents in that territory.

J. F. Strickler

J. F. Strickler, Ohio state agent of the Caledonian, has resigned and will return to the local agency field in August. He has represented the Caledonian in the Ohio field for the last three years, prior to which he was a local agent. No successor to Mr. Strickler has been announced.

Russel H. Dunbar

Russel H. Dunbar, formerly in the western department of the Royal in Chicago, has been appointed special agent for the Home in Ohio.

Walker DeWaters

Walker DeWaters, who for the last four years has been Florida state agent of the Provident Fire, will join the home

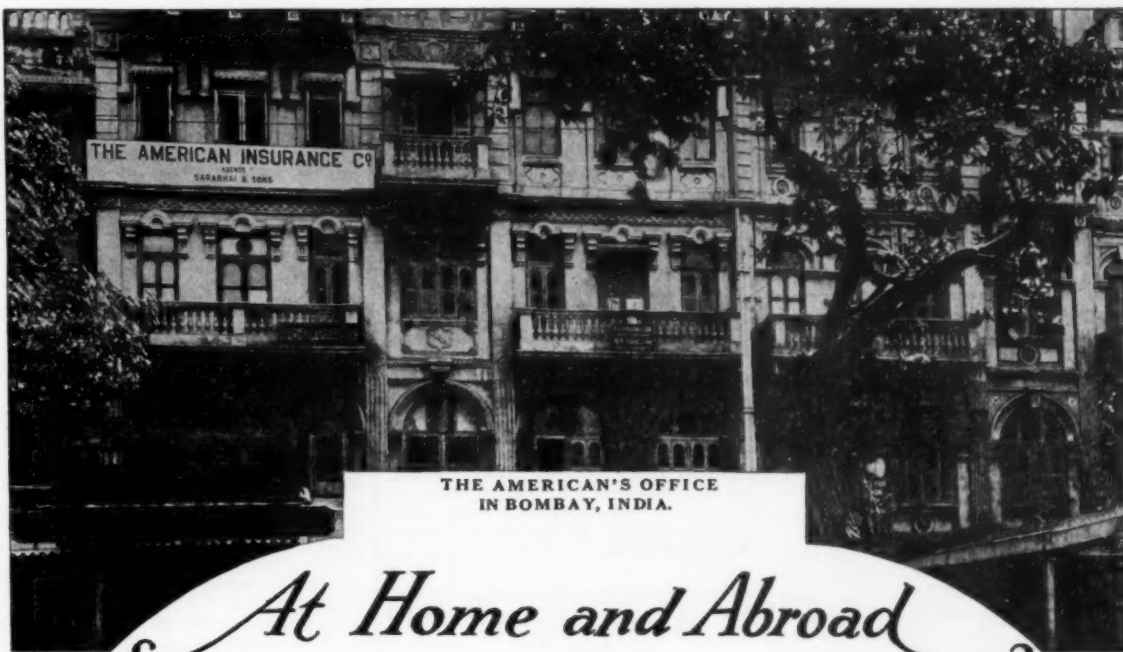
office staff of the company June 15 as general agent of the Royal Exchange group, of which the Provident is a member. Previously to taking up his Florida post Mr. DeWaters represented the Employers Fire in the New York field. George T. Wilson succeeds Mr. DeWaters in Florida.

Aubrey L. Owen

Aubrey L. Owen has been appointed special agent in Virginia and District of Columbia for the Alliance and Philadelphia Fire & Marine. He will have his office in Richmond. His entire experience has been with the Virginia Fire & Marine. Starting out as a stenographer, he worked his way to a field position and for the past eight years has been traveling in Virginia territory for this company. He is now senior special agent and is relinquishing this position to form his new connection. Mr. Owen is now serving his second term as secretary-treasurer of the Fire Insurance Field Club of Virginia.

Byron J. Moore

Byron J. Moore, who has been Indiana state agent of the Granite State and County Fire for some years past, has resigned and will sail July 6 for an extended tour through Europe. On



THE AMERICAN'S OFFICE
IN BOMBAY, INDIA.

At Home and Abroad
with
The American of Newark



KALYANBHAII SARABHAI
Mgr. Insurance Dept.

SARABHAI & SONS are Agents for The American in Bombay. The firm consists of Mr. S. Sarabhai and his four sons, Kalyanbhai Sarabhai being responsible for the development of the sub-agency plant. They are Hindus, and are descendants of an old and well-connected Bombay family.

Nearly all insurance companies operating in Bombay are members of the Bombay Fire Insurance Association, the principal object of which is to combat any legislation adverse to the best interests of the business. It also determines, and publishes, underwriting and commission rates, and is making rapid strides toward the abolition of rebating.

THE AMERICAN INSURANCE COMPANY
NEWARK NEW JERSEY



Capital \$4,000,000.

Dept. Offices	
ROCKFORD, ILL.	
BOSTON	
MEMPHIS	
SAN FRANCISCO	
TORONTO	
Foreign Offices	
BELGIUM	
BRAZIL	
CHINA	
EGYPT	
ENGLAND	
HOLLAND	
INDIA	
TURKEY	
BR. E. AFRICA	
DUTCH E. INDIES	
AND STRAITS SETTLEMENTS	

Incorporated 1846

his return he will probably locate in the east. He went with the Granite State for Indiana, Illinois and Kentucky in 1919 and in 1922 he was given the Granite State and County Fire for Indiana alone. In 1925 he went south for about a year because of ill health, returning to his field duties in May, 1926. Clyde W. Blackard, Indiana state agent of the New Hampshire, will take over Mr. Moore's field duties temporarily.

Ralph S. Hastings

Ralph S. Hastings has become associated with Special Agent Harry M. Johnson at Jackson, as special agent for the Commercial Union group in Michigan outside of Detroit.

Mr. Hastings formerly conducted a local agency at Traverse City, and is well known in the Michigan field, where

he formerly traveled for the Great American.

Don Harris

Don Harris of Kansas City has been appointed agent for the Twin City Fire in Oklahoma, with headquarters at Oklahoma City. Mr. Harris will also represent the Northwestern Fire & Marine and the Federal in Oklahoma. He was formerly special agent for the Twin City at Kansas City.

J. W. Loftus and H. C. Maltby

J. W. Loftus, special agent for the Great American in the mountain field, has resigned to enter the service of the Automobile in northern California. He is succeeded by Harry C. Maltby, who has heretofore been traveling the mountain field for the Lamey General Agency at Denver.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

TO DOUBLE CAPITAL

Stockholders of the American Equitable Assurance will meet in special session June 7 to pass on the recommendation of the executive and financial committee that the present common stock of 100,000 shares at \$5 par value be changed to 300,000 shares of \$5 par. The committee also has recommended that holders of common stock of record June 11 be given the right to subscribe for two shares of the new stock at \$10 a share for each share held on that date, subscription rights to expire June 30. If the recommendation is approved, \$1,000,000 will be apportioned to capital, which thus will be increased to \$2,000,000 and \$1,000,000 will be apportioned to surplus, increasing that item to about \$2,500,000 excluding \$1,000,000 voluntary reserves fund for contingencies. When the plan is completed the company will have total assets of approximately \$8,000,000. It is the plan that if the stockholders approve the recommendation the committee will recommend that the new stock be placed on a \$1.50 annual dividend basis, payable quarterly.

RESENT TAGGART'S DEMAND

New York brokers are now complaining about the insistence of Insurance Commissioner Taggart of Pennsylvania, that they journey either to Philadelphia or Harrisburg and submit to an examination as to their knowledge of insurance practices before he grants them licenses in the state. Brokers controlling risks in states other than that in which they reside are almost without exception men of large affairs and of ripe experience in insurance. They naturally resent the implication that they are unfamiliar with the rudiments of their business and are not disposed to spend either the time or the money required to comply with the demand.

TO INCREASE CAPITAL

Stockholders of the National Liberty have approved the directors' recommendation that the company's capital be increased to \$3,500,000 from \$2,000,000, that the shares be cut from \$10 par value to \$5, and that stockholders of record June 15 be permitted to subscribe at \$50 a share for one new share of stock for each share held on that date. Subscription rights will expire June 5. The sale of 100,000 new shares at \$50 a share will add \$5,000,000 to capital and \$4,500,000 to surplus.

GREAT AMERICAN PROMOTIONS

A number of promotions have been made by the Great American, according to an announcement by Charles G. Smith, chairman of the board. George E. Kretch becomes vice-president and secretary. He was formerly secretary. Eugene S. Archer, Robert S. Glass and Logan J. Borland became secretaries

and John V. D. McMaster becomes financial secretary. Mr. Kretch has also been made vice-president and secretary of the American Alliance, of which he was formerly secretary. Mr. Kretch has been prominently connected with the Great Britain for many years. His early career with the company was largely devoted to supervision of accounts. He gradually took on more important executive work and was made secretary several years ago.

SMITH MADE TREASURER

G. Foster Smith, president of the Nassau National Bank of Brooklyn, has been elected treasurer and a director of the Empire Fire. He will complete the unexpired term of the late T. Sehenck Remsen.

PUBLIC FIRE LOCATED

The Public Fire of Newark moved into its home office at 31 Clinton street last week. The telephone number there is Mitchell 9050. The company's nation-wide binding and brokerage department has moved into the company's building at 28 Platt street, New York, adjoining the office of Hooper & McDaniel, metropolitan agents of the company. This is now the sole office binding nation-wide brokerage for the company in New York City, as the Leo Pockwitz Company, which has been binding throughout the country, is now confining its operations to the Pacific coast.

BAILLIE IN SOUTH AMERICA

A. C. Baillie, secretary of the Home of New York, accompanied by Mrs. Baillie, is now at Santiago de Chile. They expect to go to Argentina early next week and will sail from Buenos Aires, arriving in New York about the end of the month.

TWO COMPANIES FORMING

Interests identified with Joseph S. Frelinghuysen, former United States senator, are organizing the American Constitution Fire and the American Home Fire. Proposed capital for each company is \$1,000,000 and paid-in surplus is \$1,500,000. Incorporators for both companies are Mr. Frelinghuysen, H. Edward Bilkey, Frank C. Ferguson, Henry R. Sutthen, William F. Watson, John E. Colgan, Edward Harding, C. C. Schmalz, W. F. Diefenbach, Louis Habig, F. N. Brown, Raymond M. Faith and W. A. Folley. The Frelinghuysen group of companies now includes the Suyvesant of New York and the Industrial Fire of Ohio.

EXECUTIVE COMMITTEE MEETING

The executive committee of the National Association of Insurance Agents will meet July 5-6 at White Sulphur Springs, W. Va. Secretary W. H. Bennett attended the insurance commis-

sioners meeting at West Baden Springs, Ind., this week. The officers and some of the members of the Indiana association were there, endeavoring to convince Mr. Bennett and the National association that the big convention should be held at West Baden the last week in September. Mr. Bennett canvassed the hotel facilities and will report at once

to his executive committee. A decision as to time and place for the annual meeting will be reached soon.

Undoubtedly West Baden Springs will be chosen for the convention. It will likely be held the last week in September. The West Baden Springs Hotel meets all requirements. It is admirably adapted to large meetings.

AS SEEN FROM CHICAGO

EFFECT ON EMPLOYMENT

The employment situation in Chicago insurance offices at the present time is interesting in view of the fact that the Commercial Union and Liverpool & London & Globe are moving their western departments to New York. While some of the more important employees will go east there will be a number of clerks and general employees released. This will glut the market in Chicago. Already there is a wild scrambling for positions. There are, however, but a few available. When the Northern Assurance moved its western department to New York and the Union of Canton discontinued its department a large number of employees were thrown on the market. At present the slack has hardly been taken up, and when the two big English companies announced their move it intensified the employment situation.

HANDLES CHAPPELL BUSINESS

Announcement is made this week that general business of Jay F. Chappell & Co. will be conducted for the estate of the late Jay F. Chappell by Frederick Pellet of Critchell, Miller, Whitney & Barbour. The name Jay F. Chappell & Co. will be retained and no interruption of policy contracts will follow from the transfer.

The P. J. Kieffer agency of the American Life of Detroit, which went into the Chappell firm shortly before Mr. Chappell's death, will remain in its quarters at 172 West Jackson boulevard. The life agency will be conducted independently, as it was conducted before the merger was effected.

Mr. Chappell also was head of the Jay F. Chappell Co. of Miami, Fla., but since the Florida firm operated as a unit apart from the Chicago firm of the same name the business will be disposed of separately from the Chicago business. For the handling of the Chicago business the letterheads and billheads of Jay F. Chappell & Co. will be continued in use. The Critchell, Miller, Whitney & Barbour overhead will be used where possible in conducting the affairs of the Chappell firm's business.

MOVES TO NEW OFFICE

The Chicago office of the Phoenix Assurance has moved from 1460 Insurance Exchange to A-1815 Insurance Exchange South. The offices of the Phoenix Indemnity are at A-1813 Insurance Exchange South. James E. Mattimore is Illinois state agent of the Phoenix Assurance and T. L. Pusey is superintendent of the brokerage department.

DUDLEY RUTTER DEAD

Dudley Rutter, who was an office broker with Marsh & McLennan, died at his home in Lake Forest, a Chicago suburb, Sunday night. Burial was from Graceland cemetery chapel on Tuesday afternoon. Mr. Rutter was an old timer in the brokerage field in Chicago, having been with D. W. Burrows & Co., before its merger with Marsh & McLennan and later with the Burrows-Marsh-McLennan Company. He was widely known in Chicago as an insurance man and was nationally known as a sportsman, having at one time been a member of the All-American polo team. Until the time of his death he was a member of the Onwentsia Club and for some years played with the polo team representing that

club. His death came as a shock to his multitude of friends in Chicago and the western territory.

NEW LLOYDS ORGANIZING

The Continental Lloyds Underwriters has been formed in Chicago by William Byrd Page and L. D. Ballou. It will write automobile insurance principally. The Continental Lloyds Agency is the attorney-in-fact. Mr. Page is an efficiency engineer for the Pullman Company and is president of the incorporated attorney-in-fact. Mr. Ballou, who was formerly with the Mutual Life of New York, is vice-president. Charles B. Sawyer, an investment banker at Kankakee, is secretary. J. Kenton Elliott, attorney, is treasurer and counsel. An underwriting unit of \$250,000 is now being formed to consist of 250 shares of \$1,000 each. When this is completed the Lloyds will begin writing business.

TO CLOSE ON SATURDAYS

During the summer months the western department of the Firemen's of Newark group will be closed all day Saturday. Manager H. A. Clark believes that this plan will work greatly to the advantage of both the company and the employees. During the period that this plan is in effect the office will be open one-half hour earlier in the morning.

It is the custom of many eastern insurance offices to close all day Saturday during the summer months, but Mr. Clark is the first manager to inaugurate this plan in the west.

M. M. BRAUN & CO. MOVE

M. M. Braun & Co. have moved their offices from 166 West Jackson boulevard to 1202 Insurance Center building, 330 South Wells street, Chicago. Braun & Co. now occupy much larger and more commodious quarters. They represent the Bankers Indemnity as general agents and are also general agents of the Retailers Fire. Their life company is the American National of Texas. Associated with the Braun organization is Samuel Kart, who is handling the claim end of the business.

UNION COMMITTEES NAMED

Western Union committee changes as follow are announced this week:

Arrangements and Good Fellowship—E. W. Law, Royal, replaces Walter E. Miller, deceased.

Governing committee—John F. Stafford, Sun, replaces Fred A. Rye, Public Fire, as previously announced.

Grievance—W. N. Achenbach, Aetna, and T. D. Richardson, New York Underwriters, replace John F. Stafford, Sun, and George H. Batchelder, North British & Mercantile.

Membership—S. M. Buck, Transcontinental F. & M., fills the vacancy left by the death of Walter E. Miller.

Public Relations—F. P. Hamilton, Queen, and J. C. Harding, Springfield, Mr. Harding assumes the chairmanship, replacing Mr. Rye.

Publicity and Education—H. M. O'Brien, Chicago Fire & Marine, fills the vacancy left by the death of Mr. Miller.

Field Organizations and Blue Goose—Montgomery Clark, Hanover, replaces Mr. Rye.

Cooperation and Loss Adjustment Practices—Charles R. Street, Great American, and J. F. Donica, America

BROKERS ATTENTION

Will sell, exclusively, Auto, Fire and Theft expirations in lots of five to one hundred. Mostly new cars of all makes except Fords and orphans. Last year we had waiting list of nine brokers. Better act quickly. Address **F-78**, care The National Underwriter.

WANTED

Experienced automobile special agent for State of Ohio. Must have acquaintance with agents in that State. In reply state age, experience and salary expected. Also give references and full information concerning yourself in first letter. Replies will be held in strict confidence. Address **F-67**, care The National Underwriter.

WANTED—Set of second hand Sanborn Maps for the State of Indiana. Kindly address **F-76**, care The National Underwriter, and state lowest price.

Field or Inspection Work

Man, 40 and single, with extensive fire insurance experience, including inspection work, desires position, preferably in latter capacity. Address **F-69**, care The National Underwriter.

RATE REDUCING APPLIANCES

Non-Explosive Safety Cans and Automatic Oil Waste Cans
Each can bears the label of the Underwriters' Laboratories and the Associated Factories Mutual Fire Insurance Companies.

Justrite Manufacturing Co.
2067 Southport Ave., Chicago, Ill.

BREVOORT HOTEL

Madison Street East of LaSalle CHICAGO
Insurance Headquarters

Brevoort Hotel upholds worthily the best traditions of American hotels famed for hospitality.

Two Squares from Chicago's Insurance Center

Great Northern Hotel

Dearborn Street from Jackson to Quincy CHICAGO

The "Comfortable Great Northern" is in Chicago's central business section, within one block of State Street, the great shopping thoroughfare, and close to the theater, financial and wholesale districts.

400 Large, Bright, Livable Rooms, \$2.50, \$3, \$3.50, \$4, \$5, and a few extra large corner rooms at slightly higher prices. For two persons in any room the additional cost is only \$1 a day. No extra charge over main restaurant prices for service of meals in guest rooms.

Garage near. Guests' cars delivered without service charge.



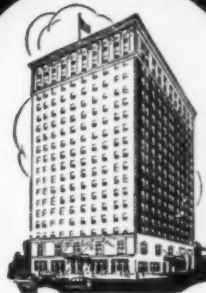
300 Rooms—300 Baths
Reasonable Rates
Garage in Connection

In Dayton

The Hotel Van Cleve, Dayton's newest and finest hotel. Delightful atmosphere and appointments that have distinct appeal to the discriminating public. Luxury without extravagance.

C. C. Schiffeler,
Managing Director.

DAYTON, OHIO

Hotel Directory

Opening the door to the hospitality of the South

LOUISVILLE'S newest and finest hotel—located in the heart of the theatre, shopping and business district.
WALNUT at FIFTH

The Kentucky HOTEL
LOUISVILLE

Robert M. Quinlan, Manager



Where Service Is Paramount

A five hundred room hotel located in the down-town section—only three blocks from the "circle"

Excellent parking and garage facilities

SPINK ARMS HOTEL

INDIANAPOLIS
Wm. A. Holt, Proprietor

When in Omaha

Hotel Conant

New—Fireproof

250 Rooms with Bath
Rates \$2 to \$3

NEW OCEAN HOUSE
Swampscott Massachusetts

Now Open

Directly on the Ocean. The best in service and cuisine that money can produce. Every recreational feature.

Booklet
E. E. GRADY
Chairman of the Board
CLEMENT E. KENNEDY
President

The Hotel Baltimore

in Kansas City

500 Rooms

RATES
Room without Bath—\$2.00 and up
Room with Bath—\$2.50 and up
Double Room with Bath—\$4.00 and up

Marble Coffee Shop
TABLE D'HOTE
Lunch 75c
Dinner 85c & \$1.35
Also A la Carte Service

NEW NICOLLET HOTEL
Insurance Men's Headquarters in Minneapolis

The best hotel in the Northwest, opened in 1924 contains six hundred rooms and first class restaurants.

Moderate Rates Prevail
W. B. CLARK, Manager

CEDAR RAPIDS, IA. HOTEL ROOSEVELT

Rates: Room without Bath with private lavatory \$1.50 and up. Rooms with Bath, Shower or Tub \$2.50 and up.

R. G. KILA, Mgr.

Got enough accident and health insurance? Want to sell more? A tip—read The A & H Review, an illustrated monthly magazine for accident and health insurance men. Full of pep! Full of ideas! Send ten cents for sample copy or \$3.00 for a year's subscription to The A & H Review, 1362 Insurance Exchange, Chicago.

Fore, are added, Mr. Donica being made chairman.

Grain Business Other Than in Terminals—Alfred Stinson, Automobile of Hartford, replaces J. R. Wilbur, America Fore.

Contractual Relations with Agents—John H. Packard, London Assurance, replaces Mr. Rye; R. A. Palmer, Palmer & Barnett, Atlanta, replaces John M. Thomas.

Rocky Mountain Supervisory—J. R. Wilbur, America Fore, replaces Mr. Rye.

Central Traction & Lighting Bureau—John C. Harding, Springfield Fire & Marine, chairman; George H. Bell, National of Hartford; A. G. Dugan, Hartford.

INSURANCE STOCK QUOTATIONS

H. W. Cornelius of Lewis, Dewes & Co., Chicago investment house, gives the following insurance stock quotations as of June 4:

Stock	Par	Bid	Asked	Share
Aetna Cas. & S.	100	1240	1260	\$12.00
Aetna Fire	100	885	895	24.00
Aetna Life	100	985	995	12.00
Agricultural	25	140	150	4.00
Allemania	50	345	370	10.00
Alliance, Pa.	10	84	87	2.00
Amer. Alliance	100	695	705	16.00
Amer. Auto.	10	65	...	2.00
Amer. Druggists	25	80	83	3.00
Amer. Equitable	5	88	93	1.50

Stock	Par	Bid	Asked	Share
American, N. J.	5	33 1/2	34 1/2	1.00
Amer. Reserve	10	99	103	3.00
Amer. Salam.	50	71	72 1/2	2.50
Amer. Surety	100	340	347	12.00
Automobile	100	430	450	...
Balt. Amer.	10	107	110	1.80
Bankers & Ship.	100	550	...	18.00
Boston	100	1400	...	18.00
Buffalo	100	425	...	13.00
Camden	5	33	36	.95
Carolina	10	70	74	1.40
Cent. West Cas.	50	75	82	2.00
Chicago F. & M.	10	22	24	...
City of N. Y.	100	690	700	16.00
Colonial States	10	27	29	...
Columbian Natl.	25	20	25	...
Commercial Cas.	10	60	63	1.60
Commonwealth	100	700	...	20.00
Continental Cas.	10	75 1/2	77 1/2	1.60
Continental, N. Y.	10	90	91	2.00
Detroit F. & S.	50	85	90	...
Detroit F. & M.	100	275	325	10.00
Detroit Natl. Fire	25	18	22	1.00
Dubuque F. & M.	100	...	...	20.00
Excelsior	5	13	...	...
Federal Surety	100	125	...	...
Fidelity & Cas.	25	221	228	5.00
Fidelity & Dep.	50	310	320	8.00
Fidelity-Phoenix	10	90	92	...
Fire Association	10	75	80	2.50
Fireman's Fund	25	120	124	5.00
Firemen's	10	55 1/2	56 1/2	2.20
Franklin Fire	25	400	415	8.00
Genl. Cas. & Sur.	50	...	...	...
Glens Falls	10	58	61	1.60
Globe & Rutgers	100	3050	...	44.00
Gt. Amer. Cas.	25	15	20	...
Gt. Amer. Indem.	10	84	88	...
Great American	10	56	58	1.60
Great Lakes	10	15	...	1.00
Guardian Fire	25	130	135	5.00
Halifax Fire	10	87	91	.60
Hanover Fire	10	93	96	1.00
Harmonia Fire	10	70	77	1.40

Stock	Par	Bid	Asked	Share
Hartford Fire	100	900	915	20.00
Htfd. St. Boiler	100	830	850	18.00
Henry Clay	10	11	...	.60
Home, N. Y.	100	620	630	20.00
Homestead	10	47	50	.60
Import. & Exp.	25	100	105	4.00
Independ. Indem.	10	36	39	.50
Independ. Fire	10	25	28	.60
Ins. Co. of N. A.	10	96	97	2.00
Iowa Natl. Fire	100	150	150	8.00
Iroquois Fire	50	...	40	...
Lincoln Fire	20	110	116	4.50
Maryland Cas.	25	185	190	1.85
Merchants, com.	25	345	...	8.00
Merchants, pfd.	100	126	...	7.00
Mechanics	25	100	...	2.50
Metropolitan Cas.	25	93	96	4.00
Metropolitan Fire	10	9	11	1.00
Mich. F. & M.	50	...	...	5.00
Milwaukee Mech.	10	53	57	1.80
National Cas.	10	56	60	1.20
National Fire	100	1235	1250	25.00
National Liberty	10	280	290	2.00
National Union	100	390	410	12.00
National Surety	100	325	338	10.00
New Amster. Cas.	10	75	80	2.80
New Brunswick	10	64	70	...
N. Century Cas.	50	...	...	5.00
New England	20	58	61	3.00
New Hampshire	100	550	...	16.00
New Jersey	20	70	75	1.80
New York Cas.	25	140	145	4.00
Niagara Fire	25	150	160	...
Northern, N. Y.	25	155	165	3.75
North River Fire	25	385	400	7.75
N. W. National	25	205	...	...
Occidental	10	32 1/2	33 1/2	...
Pacific Fire	25	180	195	4.00
Pacific Indemnity	50	187	192	...
Peoples National	10	71	75	1.25
Phoenix, Conn.	100	860	875	20.00
Pioneer Fire	20	20	...	...
Preferred Acci.	100	580	600	12.00
President, F. & M.	25	...	...	...
Provid.-Wash.	100	875	895	16.00
Rellian, Cas., N. J.	100	250	260	...
Reliance of Pa.	10	28	30	1.20
Rhode Island	100	340	370	12.00
Rossia	25	205	210	6.00
Secur. of N. H.	25	150	155	3.00
Southern Surety	10	34	35	1.60
Springfield F. & M.	25	240	250	4.00
St. Paul F. & M.	25	220	228	4.60
Stuyvesant, N. Y.	100	315	325	6.00
Travelers	100	1980	2000	22.00
United States	20	490	510	10.40
U. S. Fld. & Guar.	50	445	455	10.00
U. S. Mer. & Ship.	100	530	540	8.00
Westchester Fire	10	98	102	2.50

STAUFFER IS IMPROVING

J. George Stauffer of Danville, Ill., who suffered an attack some weeks ago, is now recovering and is able to get

about his home. Mr. Stauffer was formerly superintendent of agents of the Fireman's Fund and was well known in the insurance business. Since retiring he has lived in Danville to be near his daughter, Mrs. H. F. Espenscheid, wife of the well known local agent.

CLUB COMMITTEES NAMED

Committees as follow were appointed by the new directorial board of the Insurance Club of Chicago at its meeting on Tuesday this week: Membership, James A. Pitts, Zurich, who is vice-president, chairman. He will select five assistants. House, Charles H. Tillman, L. A. Rose Co., chairman. He will select two assistants. Entertainment, J. Earl Fleming, Lunde & Buswell, chairman. He is to select three assistants. Sports, Russell S. Chaloner, Norwich Union Indemnity, past president, chairman. He will have two assistants. Education, John F. Stafford, Sun, president, chairman. Special Activities, Charles Uplegger, W. J. Jacobs & Co., chairman. He will choose two assistants. Publicity, A. H. Grupe.

Each member present at the meeting pledged himself to obtain five new members by the end of June in honor of the new president, John F. Stafford. It was decided to hold a business meeting and dinner each month throughout the year. It also was decided to conduct golf tournaments June, July, August and September, this month's play to be held at the Oak Hills Club June 28.

Charles F. Thomas, western manager of the Aetna, is in Ohio this week to attend the fiftieth anniversary celebration of the Barker-Frost-Chapman Company in Toledo.

The Beard Insurance Agency of Chicago has incorporated as Robert H. Beard & Co., with capital of \$50,000.

William L. Sparks, 45, for six years in the general insurance business at Elgin, Ill., died suddenly the night of June 1 in an automobile.

REPUBLIC

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HOME OFFICE DETROIT, MICHIGAN

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Michigan



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PALATINE
INSURANCE
COMPANY LIMITED

NEW YORK CHICAGO SAN FRANCISCO ATLANTA DALLAS

MISSOURI ASSOCIATION PLANS REGIONAL MEET

FULL PROGRAM ANNOUNCED

Heavy Attendance Is Expected for
Gathering of Agents' Body at
Trenton June 20

On June 20 a regional meeting of the Missouri Association of Insurance Agents will be held at Trenton. Record attendance is expected. The program is as follows:

Address of Welcome, Court P. Allen, President Trenton Association of Insurance Agents.

Reply for the Association, B. J. Fradenburg, President Missouri Association of Insurance Agents.

Greeting from Insurance Department of Missouri, R. E. Daly, Actuary Missouri Insurance Department.

The Agent's Rating Problems in Fire Insurance, W. A. Cox, Improved Risk Department, Missouri Inspection Bureau.

Discussion of Casualty Lines

Developing Casualty Lines, John T. Rector, Special Representative Aetna Casualty & Surety Co.

The Benefits of Insurance Publications to the Agent, Glenn D. Mathews, Editor "The Insurance Magazine."

Meeting Mutual Competition, an Address by Rosse Case, at St. Joseph, Mo., to be read.

Luncheon, Visiting Agents and Field Men Guests of Missouri Association of Insurance Agents.

Greeting from the Field Men, Dwight R. Ford, State Agent Springfield Fire & Marine.

What a County Association Can Do, W. A. Shelton, President Putnam County Association of Insurance Agents.

Local Association Work

What a Local Association Can Do, P. K. Weis, Secretary Moberly Association of Insurance Agents.

Work of the State Association, Wilbur F. Maring, Jr., Secretary Missouri Association of Insurance Agents.

Work of the National Association of Insurance Agents, Lurton H. Stubbs, Cedar Rapids, Ia., Special Representative National Association of Insurance Agents Executive Committee.

Phoenix Field Men Meet

Western field men of the Phoenix of London, to the number of 16, are now on their annual visit to the United States headquarters of the company, reviewing with the management conditions in their several territories and outlining plans for the year. They were guests of United States Manager Percival Beresford and the other officials of the corporation at dinner last night.

Commercial Union Equipment East

Furniture and other essential equipment of the western department of the Commercial Union is expected to arrive in New York, Monday, when the personnel of the division will also be on hand. As previously announced, the company is transferring its western offices there, from which all business in the territory will be supervised in future. F. W. Koeckert, United States manager of the company, is now in Chicago directing final arrangements for the change.

Form Brokers Association

The American Agents and Brokers Association with headquarters in Philadelphia will be put in the field. Charles F. Frizzell, Jr., of Philadelphia is chairman of the organization committee. A meeting of Philadelphia and nearby brokers will be called in the near future to determine the policy of the organization. It is planned to have branches in every important city. James V. Yarnall and C. T. Begley are serving as secretary and field director respectively, being located in the office of the "American Agent & Broker," 1524 Chestnut street, Philadelphia. Members must represent stock companies and oppose the elimination of legitimate agents

and brokers serving on the commission basis and promise to cooperate with the organization in eliminating present dangers to the agency system.

May Take Kentucky Territory

Roy Sellery, general manager Western Adjustment, Chicago, and Joseph Nelson, assistant general manager, were in Louisville last week. It is understood that the visit was relative to plans for taking over Kentucky territory, now

handled through the Southern Adjustment Co. Louisville office, and placing it under the Western. It is understood that a meeting of western and southern officials will be held in Chicago this week, in regard to the transfer.

Hanowell Back in Field

J. E. Hanowell, Ohio state agent of the Merchants, who has been ill for the past nine weeks, is improving and is visiting his agents again. G. N. Gardner

of Denver, secretary of the Merchants, is accompanying Mr. Hanowell this week.

E. C. Maxwell Dies

E. C. Maxwell, former branch manager of the Wisconsin Inspection Bureau at Superior, Wis., died at his home in that city. Mr. Maxwell was well known among the insurance fraternity in Wisconsin and was a member of the Wisconsin nest of the Blue Goose. He had been ill for four or five years.

From \$20,000 in 1923 to Over \$200,000 in 1927

Has your Casualty and Surety business increased over 900%—over \$180,000—in four years? That is the record of the First National Company of Leesburg, Florida, and Mr. Charles B. Ledbetter, Vice-President, says:

"We attribute a good deal of our success to the valuable information gleaned from **ROUGH NOTES.**"

Thousands of other insurance men are finding that **ROUGH NOTES**—"The Business Magazine of Insurance"—is contributing to their profits.

ROUGH NOTES is the different insurance paper. It is an illustrated monthly service solving the business production problems confronting every insurer. No theory—every article is practical and will help you to solve your local problems. See for yourself just how much **ROUGH NOTES** can do for you.

You Are the Loser

"I have never yet during the time I have subscribed to insurance papers found in any single issue so many valuable hints on how to get business, together with other interesting reading material on insurance subjects, as I found in the December issue of **ROUGH NOTES.**"

"Of course you have only to forward bill when my subscription expires, as my conclusion is that the agent who fails to subscribe to **ROUGH NOTES** loses more than the magazine. The magazine loses \$2.00 while the agent loses valuable information which if applied in his business can only result in a very substantial increase in business."

W. OAKLEY, General Agent
New York Casualty Company
Bridgeport, Connecticut

ROUGH NOTES

222 E. Ohio St., Indianapolis, Ind.

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Name.....

Address.....

City.....State.....

(PLEASE CHECK)

I am an ..Agent..Broker..Gen'l Agent or Manager..Field Man: ..Company Executive.

THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

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C. M. CARTWRIGHT, Managing Editor
HOWARD J. BURRIDGE, Associate Editor
FRANK A. POST, Associate Editor

PUBLICATION OFFICE, Insurance Exchange, CHICAGO. Telephone Wabash 2704
CINCINNATI OFFICE 420 E. Fourth St., Telephone Main 5781, RALPH E. RICHMAN, Manager.
E. R. SMITH, Statistician; ABNER THORP, JR., Director Life Insurance Service Dept.

NEW YORK OFFICE
80 Maiden Lane, Tel. John 1032
GEORGE A. WATSON, Associate Editor
CHESTER C. NASH, JR., Associate Editor
SOUTHEASTERN OFFICE—ATLANTA, GA.
1517 Fourth National Bank Building
W. J. SMYTH, Resident Manager

NORTHWESTERN OFFICE, DES MOINES
313 Iowa Nat'l Bank Bldg., Tel. Market 3957
J. M. DEMPSEY, Resident Manager

DETROIT OFFICE
848 Book Building, Tel. Cadillac 0004
O. M. KOENIG, Resident Manager

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National Publishers Assn., Inc.

Confidence Is the Solid Rock

H. P. STELLWAGEN, secretary of the NATIONAL BUREAU OF CASUALTY & SURETY UNDERWRITERS, in a recent talk before the NEW YORK STATE ASSOCIATION OF LOCAL AGENTS, made this significant remark:

"Confidence is the rock on which the stock casualty insurance companies must build their public relationships. It seems to me that the agents of the NATIONAL BUREAU, by helping one another and by standing together in support of right principles and in opposition to bad practices in underwriting, can do much to establish a worthwhile relationship between the companies and the insuring public."

There has been much said recently, especially on the part of agents, complaining that they are not consulted or conferred with when important movements are to be made. For instance, at the New York state meeting, J. D. HENDERSON, of Herkimer, N. Y., declared that the casualty companies frequently go ahead and do not consult the agents where matters of mutual concern are involved. He declared that agents should be allowed to present

their views, reflecting as they do, the public. For instance, he said that the increased automobile liability rates were put in the hands of agents without them knowing why the increase was made. Other delegates said that if along in September, for example, the local agents had been called into conference by the NATIONAL BUREAU OF CASUALTY & SURETY UNDERWRITERS and had the matter explained to them, there probably would not have been the opposition to the rates in various localities. The local agents must be convinced of the rightness and justice of what is being done before they can defend with the public any action that may be taken.

Mr. STELLWAGEN rightfully complained of agents condemning rates and rating rules before they have been explained. He deplored the action of some agents complaining to state rate supervising officials in advance of ascertaining the true facts. All this might be avoided by conference. We believe in fighting out an issue beforehand inside the ranks rather than fighting it after action has been taken.

New Sales Training Course

IN THE current issue of this paper announcement is made that the first lessons of THE NATIONAL UNDERWRITER sales training course in property insurance are off the press. This is an important announcement. Convinced that the educational principles and sales training methods used with such conspicuous success by the life insurance companies can be applied to the benefit of other forms of insurance, THE NATIONAL UNDERWRITER issued, beginning last fall, its sales training course in casualty and bond underwriting. Success of this course for practical training in the casualty and bond field has been so pronounced that THE NATIONAL UNDERWRITER is certain the same success awaits its sales training course in property insurance, since the latter is based upon the same principles and methods.

Several agencies now taking the casualty course with conspicuous results in additional premiums have already subscribed to the sales training course in property insurance. One such agency writes, "We are looking forward to re-

ceiving your course on property insurance, which we expect to take up within the next 60 days."

Just at this time both fire and casualty companies are struggling to increase their premiums against an experience which is showing decreases. Undoubtedly the day has arrived when the trained agency force, educated to create new business and hold by service business already on the books is going to forge to the front. Companies and agencies are recognizing this clearly and THE NATIONAL UNDERWRITER is keeping step with new currents in the business by offering fire and casualty companies and agents, sales training courses for all insurance lines, courses which will measure with the best of those offered in fields other than insurance.

A sales training course can never be made a substitute for soliciting work. Such courses are, however, helping insurance agents all over the United States to multiply commission returns from soliciting work done by these agents.

PERSONAL SIDE OF THE BUSINESS

Miss Roberta Bird, daughter of Mr. and Mrs. Robe Bird, Milwaukee, was married at Shorewood, suburb of Milwaukee, last week, to Gilbert J. Schmitz of Madison, Wis. Mr. Bird is vice-president of the Milwaukee Mechanics.

Wirt Leake, past most loyal grand gander of the Blue Goose, has been elected president of the Crime Suppression League of Dallas, Tex.

Frank M. Avery, Pacific Coast manager of the Fire Association, left June 3 for Philadelphia to participate in a managerial conference, following which, accompanied by Mrs. Avery, he will sail from New York for a month's vacation in Europe.

Arthur Lohmeyer, Ohio state agent of the Aetna, completed 18 years' service with that company June 1. He was appointed as a special agent in West Virginia 18 years ago by Thomas E. Gallagher. For the past four years Mr. Lohmeyer has been state agent in Ohio.

McClure Kelly, Pacific Coast manager for the North America, Alliance and Yorkshire, is visiting the head offices of his companies in the east. While away from San Francisco he will take advantage of the opportunity to visit his mother in Kentucky.

Friends of Thomas H. Byrd, state agent for Oklahoma and Kansas for the Automobile of Hartford, are pleased to learn of his favorable condition after his operation for appendicitis and ulcers at Vinita Hospital Vinita, Okla., and are looking forward to his early return to the field.

George L. Earnshaw, vice-president of the John W. Cryer agency in Buffalo, N. Y., for the past few years one of the best pitchers in the International League, has been sold to the Philadelphia Athletics. Each winter the big league pitcher returns to Buffalo to assume his duties as vice-president of the agency in that city. He expects to continue in this capacity at the end of this year's season.

R. L. Maxwell, state agent of the Norwich Union Fire in Oklahoma, claims the distinction of being a member of the "Hole-in-One Club." He made the record at a golf course at Oklahoma City recently.

John T. Owens, veteran insurance agent, died at his home in Guthrie, Okla., May 28, after an illness of 10 weeks. He was 81 years old and had been in the insurance business in the state more than 30 years, 21 years of this time in Guthrie. He was born in New Castle, Ky., and was a Christian minister 57 years.

His local agency will be continued by his daughter, Miss Anna Owens.

R. H. Menefee of the Pirtle, Weaver & Menefee Agency, Louisville, who is also a director of the Louisville Convention & Publicity League, made an airplane flight from Louisville to Kansas City last week with Harry G. Evans, manager of the convention bureau, to attend the national convention of purchasing agents and endeavor to secure the 1929 meeting for Louisville. It was Mr. Menefee's first flight. Incidentally he drew up a will before leaving home.

C. T. Deatruck of Columbus, state agent of the Home of New York in Ohio, was a guest of honor at a dinner in New York recently. The officers of the company celebrated Mr. Deatruck's completion of 50 years' service in the Home and 25 years as state agent. Mr. Deatruck made his first connection with the Home when he began work in his



C. T. DEATRUCK

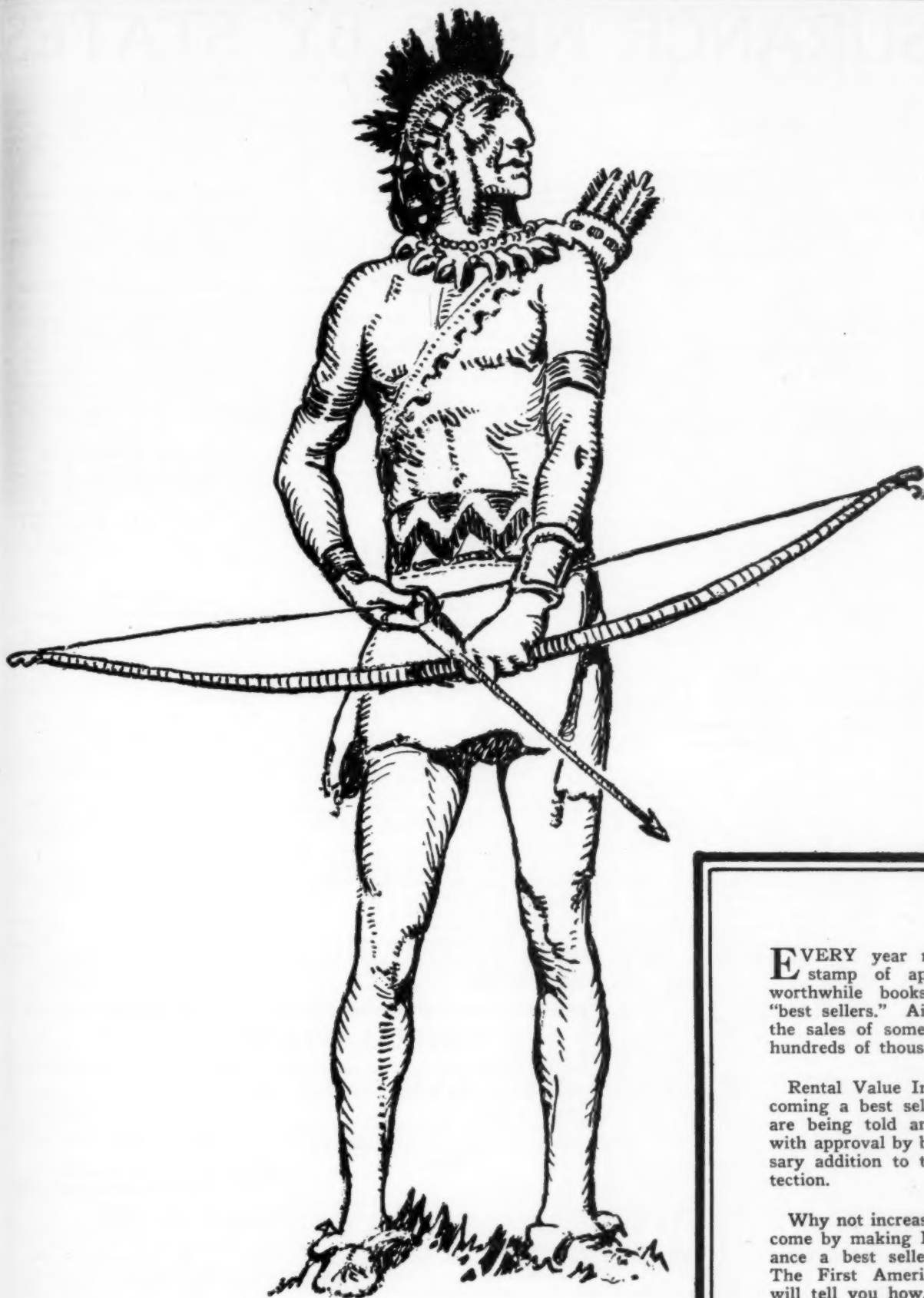
father's local agency at Defiance, O. After some years he entered the Ohio field for the company and later became state agent in charge of a number of special agents and also of the Ohio farm department at Columbus.

Christopher J. Gough, deputy insurance commissioner of New Jersey, who recently suffered a stroke, is still in a precarious state but seems to be on the road to recovery. At the commissioners' meeting at West Baden, Ind., this week a telegram of good wishes was sent him. He is one of the most competent of the state officials. When he is able to get about he will take a long vacation.

Henry D. Appleton, veteran first deputy insurance superintendent of New York, has rounded out 45 years of continuous service with the department. He started in its service in 1883. Mr. Appleton is held in the highest respect by all who come in contact with him.

John Marshall, Jr., former western manager and later vice president of the Fireman's Fund, surprised his friends in Chicago by appearing on the scene Friday. Mr. Marshall is taking a sojourn visiting his daughter at Hinsdale, Ill. He called on a number of old time friends. He went on to New York for two or three days. When he was in the business John Marshall was one of the most popular and best known men in fire insurance.

E. R. Townsend of Chicago, an engineer of the committee on fire prevention and engineering standards of the National Board, was killed in a traction accident near Danville, Ill., last Thursday night. The funeral was held from the home of Mr. Townsend's father at Cedar Rapids, Ia., on Sunday of this week. Mr. Townsend, one of the most widely known and most popular fire insurance engineers in the western field, was born in 1875. He was educated at the DeWitt, Ia., high school and the Iowa State College, from which he received the degrees of mechanical engineer and electrical engineer. He was, however, a master of hydraulic engineering. For a time after graduation he served with engineering companies in Illinois and Arkansas and with the United States government abroad. Later he joined the Ohio Inspection Board, which he served for three years. In 1918 he joined the Western Engineering Bureau in Chicago, and when that organization was dissolved in 1920 he joined the National Board.



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FIRE INSURANCE COMPANY**

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EIGHTY MAIDEN LANE, NEW YORK, N. Y.

CASH CAPITAL — ONE MILLION DOLLARS

NEW YORK CHICAGO MONTREAL DALLAS SAN FRANCISCO

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

TWO OHIO CITIES RERATED

Inspection Bureau Active in Fire Prevention—New Tariffs Published for Several Towns

Inspectors from the Ohio Inspection Bureau have recently completed the re-rating of Mt. Vernon and manuscript for new tariff is now in the hands of the printer. Sufficient improvements were made by the cities of Mt. Vernon to enable the bureau to change the classification of the town from seventh to sixth and considerable service work was done by the inspectors in securing the elimination of hazards for which after-charges are ordinarily made. The change in class and the service work resulted, according to tabulation of old and new rates, in a material reduction in the average rate for the town.

The bureau will this week complete the re-rating of Lorain, which has been rerated because the last inspection was in 1919. New rates based upon present conditions will go forward in a card system replacing the six year old book.

New Tariffs Published

New tariffs have recently been published for Berlin Heights, North Excelsior, Springboro, Strasburg, Tiro and Vinton. Town rating crews have recently started work in Ironton and Painesville, according to an announcement made this week by T. B. Sellers, manager of the bureau.

Considerable work has been done looking toward the complete standardization of all fire hose and fire department fittings of Toledo, and it is hoped that this work can be carried forward provided some rather difficult problems in connection therewith can be satisfactorily solved.

St. Clairsville, one of the largest communities in the state, still without public waterworks facilities, has recently authorized the installation of a complete water system and the acquiring of fire apparatus, following a disastrous fire which occurred some few weeks ago.

H. W. Davis, representing the Ohio Fire Prevention Association, and H. J. Manning of the Ohio Inspection Bureau recently met with representatives of various civic organizations of Portsmouth for the purpose of discussing plans for the organization of permanent committees for the furthering of fire prevention work in the city and for promoting the cause of better fire protection. Chief Robert Leedom presided at the meeting. Work is just being started on a \$1,000,000 waterworks improvement program.

Set West Virginia Date

HUNTINGTON, W. VA., June 6.—The executive committee of the West Virginia Association of Insurance Agents has set June 21-22 as the date for its 29th annual meeting at Charleston. President Kincaid, who has been cooperating with the Charleston local board, is preparing an interesting program. All non-member agents are invited to attend the meeting.

Insurance Not Discussed

The subject of insurance was not discussed by the Ohio State Automobile Association at its convention in Toledo. Nor was the subject taken up in the executive committee meeting. Nothing further has been done toward organization of a company by the automobile association since the report of the special committee made to the executive committee several months ago.

PLANS FOR OHIO CONVENTION

Officials Expect Large Attendance at the Meeting of the Local Agents Organization

COLUMBUS, O., June 6.—The annual convention of the Ohio Association of Insurance Agents to be held at Lima, June 12-14, will attract attention because Lima is in a location that will be convenient to many members. The Ohio association has a number of members in the Lima radius. Edson S. Lott, president of the United States Casualty, will be one of the drawing cards and will talk on "Compulsory Automobile Liability Insurance." United States Senator Locher, who for four years was director of commerce, will be present. Mr. Locher knows much about insurance matters in Ohio. State Senator Shafer who has been active on the senate insurance committee is expected to make an address. Lieutenant Governor Bloom who is now in charge of the state commerce department promises to be present. Superintendent of Insurance W. C. Safford will deliver an address. Harry Grider, local agent of Cleveland, will give a talk on "Public Relations."

DEATH OF BEN P. TINSLEY

Ohio State Agent of the Northern Assurance Was Prominent in Field Organizations

Ben P. Tinsley, Ohio state agent of the Northern Assurance, died at Grant Hospital in Columbus, O., after an illness of two months. He was the son of the late Judge and Mrs. James H. Tinsley and was born at Barberville, Ky., Jan. 23, 1888.

He entered Ohio State University in 1906 where he was a member of the Sigma Alpha Epsilon fraternity. He married Emily Newhall of Covington, Ky., who survives, with two sons, William Newhall, 14, and Edward Randall, 7.

Mr. Tinsley was at one time in the service of the government. For eight years he was associated with the Ohio Inspection Bureau at Cincinnati. In 1917 he returned to Columbus as city manager of the Ohio Inspection Bureau. He served with distinction and attracted the attention of the fire companies and in 1919 he became special agent of the Hartford Fire. In 1926 he became state agent of the Northern Assurance.

At the time of his death he was president of the Ohio Fire Underwriters' Association. In 1927 he was most loyal gander of the Ohio Blue Goose. Funeral services were held Thursday.

INSPECTIONS AT DEFIANCE

Need 125 Men to Inspect Springfield On June 7—R. E. Vernor to Speak

About 200 inspections were made by the Ohio Fire Prevention Association at Defiance, O., recently. Much defective wiring was found. The local residents were urged to adopt a building code. Cooperation on the part of city officials and business men was excellent but it was regretted that more fire insurance men were not present.

It is expected that 125 field men will be needed at the inspection at Springfield on June 7 and all who can attend are urged to do so as this will be one

of the largest inspections in Ohio this year. The Foreman's Club of Springfield is aiding in the movement. R. E. Vernor of Chicago will be present and deliver an address. The committee on arrangements is composed of H. H. Chittenden, D. F. Durnford, H. D. Smith and W. S. Winnard. Mr. Winnard, who is attached to the Ohio Inspection Bureau, has been making an extensive campaign in Ohio for standardized hose and couplings and is now embarking on a new campaign in which he is instructing firemen how to operate ladders and other equipment and lay hose. Mr. Winnard is available wherever his services are desired. He was connected with the Columbus fire department for 28 years and knows the fire fighting business.

Celebrating 50th Anniversary

The Barker-Frost-Chapman Company of Toledo, is celebrating its 50th anniversary Thursday of this week. About 60 home office and field men have been invited to join the agency force in an outing at Galbraith Island. The agency was founded by L. L. D. Chapman, father of Paul H. Chapman, present head of the agency. Officers of the Barker-Frost-Chapman Company are Paul H. Chapman, president; John J. Lovett, vice-president and treasurer; Clarence J. Mallory, secretary, and Alfred J. Kaltenbach, assistant treasurer.

Tax Suit Detains Safford

W. C. Safford, Ohio superintendent of insurance, was not in attendance at the commissioners' meeting in West Baden this week. He was detained by department business. Among other things preventing was a further argument in the Metropolitan Life tax case before the Common Pleas Court in Columbus. A decision is expected within the next three weeks, as the original argument before the court was made last January.

The company seeks to enjoin the additional 1/2 of 1 percent tax which the legislature imposed on foreign insurance companies doing business in Ohio, making the total tax 3 percent.

Toole Family Enlarged

Friends of W. J. Toole, Jr., manager of the Cincinnati branch of the Underwriters Adjusting Company, are accus-

ing him of being the original of the father on the front cover picture used in the current issue of a popular weekly in which the doctor says, "I have never lost a father yet." A son was added to the Toole family last Thursday.

Inspect West Virginia Towns

Engineers of the West Virginia Inspection Bureau have just recently completed inspections of Bluefield, Keystone, North Fork, Clark and Welch.

To Attend Optimists' Convention

Several Ohio insurance men will be in attendance at the national convention of Optimists Clubs in Asheville, N. C., June 20-23. C. C. Atwell is the delegate of the Columbus club; Clayton Hale of Hale & Hale, Cleveland, secretary of the Cleveland Optimist Club, and Adam Guth, Akron, lieutenant-governor of the Ohio Affiliated Optimists Clubs, will go to Asheville for the convention.

Inspecting Springfield, O.

The Ohio State Fire Prevention Association inspects Springfield on Thursday of this week. H. H. Chittenden is chairman of the committee on arrangements, which includes also D. F. Durnford, H. D. Smith and W. S. Winnard. R. E. Vernor will speak at the public dinner Thursday evening.

Ohio Notes

The Republic Automobile of Detroit has been licensed in Ohio.

Fire a few days ago caused a loss of \$10,000 in the plant of the Willys-Overland Company at Toledo.

The Rutter Insurance Agency has been formed at Toledo, O., by George L. Rutter and others.

W. H. Witherspoon, special agent of the Aetna in Ohio, welcomed a son into his family a few days ago.

Hiram Hitchcock and W. B. Hyer, former county recorder, have formed an insurance partnership at Washington Court House, O.

George Thomas, Aetna special agent in Ohio, has been ill and away from work for the past two weeks. He is improving slowly and will be at home for some time yet.

Evert A. Kemp of Bellevue, O., has bought the L. W. Moyer agency there. Mr. Kemp has been in the insurance business about five years. He represents 20 companies in Bellevue.

The Phoenix of Hartford, Springfield Fire & Marine, Henry Clay and London & Lancashire have transferred at Fremont, O., from Hemminger & Ostrander to the Wolf Insurance Agency. The Detroit Fire & Marine has transferred from Newton D. Stults to the Wolf Insurance Agency.

CENTRAL WESTERN STATES

REPORT AUTO RATE CUTTING

Competition for Business in Lansing Threatens Solidarity of Local Board There

LANSING, MICH., June 6.—Competition for automobile business may precipitate a rate-cutting war in Lansing with some peril to the solidarity of the local board. According to reliable information from agents, several members of the Lansing Association of Fire & Casualty Underwriters have slashed collision rates unmercifully and at least one agency has maintained the policy of writing all collision business under the old and much lower schedule, thus cutting far below the rate offered by those who adhere to the present conference manual.

Many of the agents are admittedly rather dissatisfied with the conference schedules, which they feel put them at a decided disadvantage in competing with their strong reciprocal and mutual rivals in this state. The wide publicity given to Commissioner Livingston's protest on the advance in public liability rates was most unfortunate in driving

business to the "at cost" carriers, it is felt, and it is possible that some of the tendency to trim rates at the slightest excuse is due to this sentiment.

WELLS & O'KEEFFE GET TRANSPORTATION FIRE

Wells & O'Keeffe of Indianapolis have been appointed general agents for Indiana of the Transportation Fire of New York, which has just been admitted to the state. Complete underwriting and loss departments will be maintained in Indianapolis, enabling them to give local agents quick service. This agency has given particular attention to aircraft insurance and it will push this branch of the business even more intensively. Along with the growing interest in aviation a number of new flying fields have been recently established at various points in the state with companies that are entering the commercial field. Wells & O'Keeffe are prepared to write air craft for fire, theft, tornado, loss of use, flying perils, public liability, passenger liability, property damage, airport liability and cargo insurance. Insurance for any amount

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President
A. H. HASSINGER, Vice President

JOHN KAY, Vice President and Treasurer
WELLS T. BASSETT, Vice President

JANUARY 1ST, 1928, STATEMENTS

ORGANIZED 1855
FIREMEN'S INSURANCE COMPANY
OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
\$40,000,136.83	\$19,459,279.01	\$7,500,000.00	\$13,040,857.82	\$20,540,857.82

ORGANIZED 1853
THE GIRARD F. & M. INSURANCE COMPANY
OF PHILADELPHIA, PA.

\$6,000,966.28	\$2,930,594.84	\$1,000,000.00	\$2,070,371.44	\$3,070,371.44
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ORGANIZED 1854
MECHANICS INSURANCE CO.
OF PHILADELPHIA, PA.

\$4,828,245.29	\$2,820,808.68	\$600,000.00	\$1,407,436.61	\$2,007,436.61
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ORGANIZED 1866
NATIONAL-BEN FRANKLIN FIRE INS. CO.
OF PITTSBURGH, PA.

\$4,907,721.63	\$2,557,216.60	\$1,000,000.00	\$1,350,505.03	\$2,350,505.03
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ORGANIZED 1871
SUPERIOR FIRE INSURANCE CO.
OF PITTSBURGH, PA.

\$4,835,369.35	\$2,520,317.56	\$1,000,000.00	\$1,315,051.79	\$2,315,051.79
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ORGANIZED 1870
CONCORDIA FIRE INSURANCE CO.
OF MILWAUKEE, WIS.

\$5,250,424.26	\$2,567,447.92	\$1,000,000.00	\$1,682,976.34	\$2,682,976.34
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ORGANIZED 1886
CAPITAL FIRE INSURANCE CO.
OF CONCORD, N. H.

\$760,298.04	\$375.00	\$300,000.00	\$459,923.04	\$759,923.04
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TOTAL OF ASSETS
\$66,583,161.68

TOTAL OF LIABILITIES
\$32,856,039.61

TOTAL NET PREMIUMS
\$25,684,495.78

WESTERN DEPARTMENT

844 Rush Street
Chicago, Illinois

H. A. CLARK, Manager

Assistant Managers
H. R. M. SMITH

JAMES SMITH JOHN R. COONEY

EASTERN DEPARTMENT

10 Park Place

NEWARK, NEW JERSEY

CANADIAN DEPARTMENT

461-467 Bay Street

TORONTO, CANADA

MASSIE & RENWICK, Limited,
Managers

PACIFIC DEPARTMENT

60 Sansome Street

San Francisco, California

W. W. & E. G. POTTER,
Managers

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL



**A Good Company
for Agents**

*Record of 117
Years of Faithful
Service to Recommend It*

NEWARK
FIRE INSURANCE COMPANY
NEWARK, N. J.

T. L. FARQUHAR, President
WESTERN DEPARTMENT
CHICAGO
ELWIN W. LAW, General Manager

Add to Your Profits from Fire and Casualty by Taking on a Splendid Life Line

THE Largest Mixed Insurance Company in the World recently Established a Life Department. There is a Pronounced Trend in that Direction. Agencies are adding Life to Fire, Casualty, Surety, etc. You, too, may Enlarge your Profits without Increasing Fixed Costs.

The most Satisfactory Life Contract Available is that of the Columbus Mutual—the Company which 20 years ago Eliminated Middlemen and Diverted the Huge Expense of their Maintenance into Savings for Policyholders and Agents. Its System makes possible Low Cost Insurance, Generous Commissions, and VESTED Renewals. There are No Restrictions in Territory. Each Contract is a Direct Home Office Contract—no Intermediaries between. The Agency that Produces gets ALL the Commissions.

Send today for this Distinctive and highly successful Company's Proposition. Write your Name and Address on the Margin of this Advertisement and Forward.

THE COLUMBUS MUTUAL LIFE INSURANCE COMPANY

C. W. Brandon, Pres.



Columbus, Ohio

required for the different forms will be written. The maximum on any one ship to date has been \$75,000 and the public liability maximum has been \$300,000. The agency wrote 15 aviation policies in May and sold three policies the first day of this month.

Dippell Becomes Independent Adjuster

George F. Dippell of Urbana, Ill., has resigned as farm special agent of the Fidelity-Phenix and has opened an office as an independent adjuster for Illinois and western Indiana. Mr. Dippell formerly was state adjuster for the America Fire companies at Minneapolis, covering Minnesota and part of Wisconsin. As a boy he served his apprenticeship as a carpenter and some years ago became a licensed architect in Illinois. Thus he is particularly well qualified on building losses. In fact, he was a contractor until 1922, when his connection with loss work led him into the adjustment field.

Regional Meeting at Muncie

The Indiana Association of Insurance Agents will hold a regional meeting of the agents of Henry, Madison, Grant, Delaware and Blackford counties June 8 at Muncie, Ind. An officer of the National association may be present.

Another Ottawa Beach Loss

HOLLAND, MICH., June 6—Another \$100,000 fire at Ottawa Beach early Monday destroyed seven commodious summer homes. It has been slightly over a year since Macatawa Park, which adjoins Ottawa Beach, was hit by two fires which destroyed 50 cottages at a loss of around \$500,000. Previous to that time half a dozen other fires threatened to raze these resorts and a huge Ottawa Beach hotel was among the edifices destroyed.

The latest fire was confined through the efforts of Holland firemen, coast guards and beach attendants to a relatively few cottages.

Many Explosions in Detroit

DETROIT, June 6—Explosion hazards on various types of property in Detroit are fast approximating those in Chicago. The past week a \$75,000 loss was sustained when the Zion Baptist Church, occupied by a Negro congregation, was virtually destroyed and several nearby buildings were damaged, one drug store sustaining a large loss when broken windows throughout the establishment

permitted extensive pilfering of the stock by vandals.

Detroit has recently been the scene of several dynamitings in which property of politically prominent persons was destroyed while cleaning and dyeing establishments have been the targets for numerous destructive efforts of this character in an apparent trade war.

Wysonog to Be Toastmaster

Clarence C. Wysonog, insurance commissioner of Indiana and a member of the Blue Goose, will serve as toastmaster at the banquet which will be conducted under the auspices of the Blue Goose at Lake Wawasee June 19, if another tentative engagement does not conflict.

Illinois Notes

The Public Fire of Newark has been licensed in Illinois.

The Guy N. Scovill building, Decatur, Ill., Main street, housing the W. C. Starr auto agency and garage, and a dwelling adjoining were destroyed in a \$165,000 fire. Mr. Scovill's loss is about \$30,000, the Starr loss \$80,000, Wellepp & Stuckey Company storage on the second floor, \$25,000, and the Decatur Garment Company, about \$25,000.

Michigan Notes

The La Salle Fire of New Orleans has been licensed in Michigan.

The Wyoming Park Christian Reformed Church Grand Rapids, Mich., was completely destroyed last week in a \$75,000 blaze. The church was a new structure, having been dedicated last October. Insurance coverage amounted to only two-thirds the loss.

The Manistique Agency, Manistique, Mich., has filed incorporation papers. Capital authorized is \$10,000 and incorporators are Paul R. Baldwin, C. L. Smith and Paul L. Hubbard, all of Manistique.

A jury at Saginaw, Mich., found Nick Magas, cafe owner, guilty of burning a residence he owned there. One of the most elaborate incendiary plants ever seen in the state was disclosed when firemen were called to the fire early in January. Its only flaw, according to fire marshal's division investigators, was that alcohol rather than gasoline or some other quickly combustible fluid was used.

Indiana Notes

John W. Robb, for many years a successful local agent at Clinton, Ind., died last week, aged 77, following a heart attack. His son, Marshall V. Robb, has been interested in the agency and also has business interests in Indianapolis.

STATES OF THE NORTHWEST

FIELD MEN ELECT OFFICERS

R. H. Schimmel Heads Minnesota Fire Underwriters Association—W. L. Lerch of Chicago Speaks

MINNEAPOLIS, June 6.—The Minnesota Fire Underwriters Association held its annual election of officers last week. New officers for the ensuing year are: President, R. H. Schimmel, Minneapolis, state agent Fire Association; vice-president, Jay A. Weeks, Minneapolis, special agent Home of N. Y.; secretary-treasurer, Will H. Unger, Minneapolis, state agent Royal. The executive committee includes George A. Roberts, state agent Detroit Fire & Marine; C. R. Lill, state agent Sun; Z. Z. Savory, state agent London & Lancashire; A. L. Danek, state agent American Eagle, and A. B. Davis, state agent Queen.

W. L. Lerch, deputy manager of the Royal in Chicago, and John F. Stafford, western manager of the Sun, Chicago, were two of the speakers at the meeting. The officers of the association, in their annual report, reviewed conditions for the past year as satisfactory. They were optimistic concerning 1928, due to the general economic improvement throughout the great northwest area.

In the bulletin of the state fire marshal of South Dakota the fire loss of the state for March is placed at \$294,835.57, the heaviest loss from anyone cause being defective flues.

ASSOCIATION SHOWS RESULTS

Field Representative Doscher Increases Wisconsin Agents Membership and Organizes New Local Boards

MILWAUKEE, June 6.—The formation of two new local boards, reorganization of three boards and an increase in membership of about 40 is the gratifying result of the work done in Wisconsin for the Wisconsin Association of Insurance Agents by C. H. Doscher, the National association field representative, who spent the month of May in Wisconsin. He introduced the automobile identification certificate and the sound insurance sticker into Wisconsin during his stay in the state.

The new local boards are at Sheboygan and La Crosse. The Sheboygan board has 25 members. The problem in that city has been the parttime brokers and with the new organization, the members hope to be able to work the situation out. The La Crosse board is the first one in that city since the old rating days. George Fries was elected president of it.

Reorganize Kenosha Board

Boards at Fond du Lac, Eau Claire and Kenosha, were reorganized. Edward F. Tambke, who was president of the old board at Fond du Lac, was elected president of the reorganized one. Peter Schlosser is president and Miss Lillian Dunnegan is secretary of the

Eau Claire board; James Millar is president and Fred Stemm is secretary of the Kenosha board.

Mr. Doscher started on his tour through the state from Milwaukee. He was accompanied by President Walter Greene and William Calhoun of Milwaukee to Sheboygan and held regional meetings there and at Fond du Lac and Oshkosh. One of the best meetings in the state was held at Oshkosh, with a good attendance of agents from nearby cities.

The Green Bay meeting was in charge of Earl Fisk, member of the executive committee of the Wisconsin association, who had the cooperation of the Green Bay board in arranging the meeting. The Wausau regional meeting was in charge of Charles N. Manson and Ray Chartier and it was found that the board there was functioning in a good manner.

Good Meeting at Madison

At Antigo, E. H. Palmer had charge of the regional meeting, and from there Mr. Doscher went to Eau Claire to reorganize the board. The secretary of the state association met Mr. Doscher at Eau Claire and went to La Crosse with him, where a new board was organized.

Madison had a good meeting and Mr. Doscher reported that the Madison board is progressing in a good manner. Arrangements were made to have the state officers meet with the Madison board in September to lay plans for a regional meeting there early in the fall.

Other regional meetings in the state included those at Beloit, Kenosha and Racine. The Kenosha board was reorganized and the boards at Beloit and Racine were found to be operating well. The Racine meeting was a lively one with nearly 30 members present. Members at Racine are to meet soon to revise their by-laws.

Plan Wisconsin Field Rally

MILWAUKEE, June 6.—Arrangements for the annual meetings of the Wisconsin Fire Underwriters Association, Union organization; the Wisconsin Insurance Club, Bureau group, and the Wisconsin Blue Goose at Delavan, June 19-20, are under way.

William Gillen of the Continental is chairman of the program committee and is now working out the program with his committee. Those on the committee are George Hannan, manager Wisconsin Audit Bureau; E. O. Spink, Home; Ed Sternberg, Baltimore American; Irwin Frey, Firemen's. Mrs. Fred Edler is chairman of the ladies' activities.

South Dakota Inspections

PIERRE, S. D., June 6.—The state fire marshal department is holding inspection meetings at various towns in the state in connection with members of the state fire prevention association. Such a meeting was held last week at Beresford, the home town of Governor Bulow, which was attended by Governor Bulow, Insurance Commissioner Lewis and a number of the members of the fire prevention association, talks being given by the governor and others, after a thorough inspection of the fire risks. Other meetings will follow at different towns.

Mutual Gets South Dakota Hearing

PIERRE, S. D., June 6.—The American Mutual Fire of Indianapolis is presenting its views to Commissioner Lewis of South Dakota on the question as to whether its policies are in violation of the anti-discrimination act of South Dakota. Its five-year term policies are written on the advisory board rates with 25 percent deviation collected in five annual installments. This was considered by the South Dakota department as being a discrimination against the insured who pays full cash rates for the five-year term. The insuring company is presenting briefs covering its contentions in the case, following a hearing and showing made by its officers.

Milwaukee Agency Increases Capital

MILWAUKEE, June 6.—Hackett, Hoff & Thiermann, Inc., has increased its capital from \$500,000 to \$1,000,000. The

company was started Aug. 1, 1890, when the late Stephen H. Hoff, then with the Wisconsin Marine & Fire Insurance Co. bank, joined with Edward P. Hackett, who had been in the legal department of the Northwestern Mutual Life, Milwaukee, in organizing the partnership of Hackett & Hoff. The business was incorporated in 1912 under the name of Hackett, Hoff & Thiermann, at which time Max L. Thiermann, now president, became associated with the company.

Presentation to Van Toor

MILWAUKEE, June 6.—Lucas A. Van Toor, who retired as assistant chief of the Milwaukee fire department last month after 38 years of service, as the guest of honor at a dinner of the fire prevention section of the Association of Commerce, was presented with a miniature set of fire fighting equipment by Henry Eckstein, president of the C. F. Hibbard Co., local agency and member of the fire prevention committee.

Exchange Writes Automobile Only

MILWAUKEE, June 6.—The Inter-State Exchange of Milwaukee has announced that it has sold its fire insurance and plate glass expirations and in the future will confine its business entirely to automobile lines. The fire insurance expirations were purchased by the Citizens' Mutual Fire of Janesville, and the Wisconsin Mutual Plate Glass, Milwaukee, took over the plate glass.

The transaction will release about \$20,000 to the surplus of the Inter-State Exchange.

Marsh & McLennan Hits Stride

MINNEAPOLIS, June 6.—The Marsh & McLennan kitten ball team last week trounced the Charles W. Sexton Company 20 to 1, collecting 25 hits. Harold Engberg, pitching for Marsh & McLennan, allowed but three hits and struck out 14 opponents. He was given errorless support. Again Marsh & McLennan defeated the General Inspection Bureau 6 to 3. Engberg, again behind superfielding, struck out nine batters. In the two games he allowed but two bases on balls.

Tractor Loss in Minneapolis

MINNEAPOLIS, June 6.—The worst fire of the year so far in Minneapolis occurred Saturday when the plant of the Shaw-Enochs Tractor Company was destroyed with a loss estimated at close to \$200,000. For a time the fire threatened huge tanks of gasoline and oil nearby, but the blaze was checked before it reached them.

Rush for State Hail Insurance

BISMARCK, N. D., June 6.—With the listing of land for state hail insurance completed, officials of the state hail department are preparing for the rush of business which they always encounter at this season.

Corrections in the listing of lands for hail insurance may be made up to June 9 and withdrawals from the protection of state hail insurance may be made up to and including June 14.

Minnesota Notes

The elevator of the Gray Milling Company, in St. Paul was damaged by fire June 4. The loss was estimated at \$20,000.

Henry Skilbred, who has been accused of starting various fires around Kenyon, Minn., pleaded guilty to one charge and was sentenced to an intermediate term at Stillwater prison. He admitted setting fire to a hardware store at Kenyon.

Wisconsin Notes

The Kruger agency of Green Bay, Wis., has secured larger offices in the Cady Land building.

George H. Russell, president of the George H. Russell Co., one of the large insurance agencies of Milwaukee, was operated on June 3 for appendicitis, which attacked him suddenly. It was reported Monday that his condition was good.

Harvey J. Girard, state agent in Wisconsin for Providence Washington, and Mrs. Girard, are receiving congratulations from their friends in the insurance fraternity, on the birth of a baby daughter, Lois Mary.

E. C. Maxwell, former branch manager of the Wisconsin Inspection Bureau at Superior, Wis., died at his home May 30 after an illness of about four or five years. He was also in charge of the stamping office at Superior but was forced to retire from active work when

Discriminating Automobile Underwriters & Adjusters

USE

AUTO APPRAISAL

FOR

Used Car Values
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AND

Weekly Bulletins

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Revised Quarterly

**AUTOMOBILE REFERENCE
& APPRAISAL BUREAU**
2970 West Grand Blvd. Detroit, Mich.

MAY— and Spring Fever

Right about now the average man feels the urge to "get up and get." He hears the call of the wild—he has Spring Fever.

* * * * *

It may be a trip to Europe; to the north woods or the sunny south. Maybe it's just a week or two in the country or seashore for the summer vacation.

* * * * *

But wherever it is, Tourist Baggage Insurance is a welcome companion. It will go right along affording protection that is best appreciated when needed.

* * * * *

That means you have the best opportunity of the year for selling Tourist Baggage Insurance right now. Beside the sale of the policy, there's the other advantage of getting clients in this insurance cover who may develop into clients for larger lines later on.

* * * * *

Need some advertising folders on Tourist Baggage Insurance to help pave the way for the sale? If you are a Carolina representative, just write for a supply of attractive booklets on this insurance cover. Now is the time—your prospects are getting Spring Fever.

* * * * *

If there is no representative of this Company in your locality remember that dependable agents are invited to apply for representation.

The CAROLINA
INSURANCE COMPANY



WILMINGTON
NORTH CAROLINA

NEW YORK OFFICE
59 MAIDEN LANE

he became ill. He was well known among the insurance fraternity in northern Wisconsin.

The new summer home of Mont Tennes, noted figure of Chicago, was destroyed by fire last week near Rhineland, Wis., with a loss of \$100,000. It was under construction at Catfish lake. Workmen employed in the building narrowly escaped with their lives.

Dakota Notes

Mrs. D. S. Ames of Fargo, N. D., wife of D. S. Ames, traveling representative of the International Harvester Company,

died as the result of burns received when gasoline in which she was cleaning clothing in her home exploded, enveloping her in flames. Mrs. Ames was a sister-in-law of E. B. Neuberger, state agent for the Hartford in North Dakota.

Miss Lucille Elizabeth Ballenger of the Fargo office of the General Inspection bureau will become the bride of William Rae, Fargo, this month.

Paul Hoffman, 32, a farmer residing near LaMoure, N. D., pleaded guilty to arson at Napoleon. Hoffman, according to witnesses, set fire to a house used by a tenant on the Hoffman farm. The house and furniture were destroyed.

IN THE MISSOURI VALLEY

QUALIFICATION LAW DISPUTE

Complaints in Kansas That Missouri Agents Are Violating Statute at Kansas City

TOPEKA, KAN., June 6.—The number of complaints that the agents' qualification law of Kansas is being violated in Kansas City, Kan., by Missouri agents has increased so rapidly recently that Commissioner Baker has announced that he will hold a series of hearings this month to determine what can and should be done. The exact dates for the hearings have not been set but some investigation work is now going on and the hearing dates will be set when this work is completed.

There are many large organizations with property in both Kansas City. The headquarters being on the Missouri side, the insurance business is handled through that office. There are many large insurance agencies on the Missouri side. When the first complaints came in of Missouri agents writing Kansas business an investigation showed that all the Kansas policies were countersigned by resident Kansas agents as the law requires. But it has been developed that these agents lived only in Kansas and worked in the Missouri insurance offices. They were all stenographers or clerks employed in Missouri but residing in Kansas. They solicited no business and participated in the affairs of an ordinary agent only as an incident to their duties in the Missouri office. But they signed all the Kansas policies as a Kansas agent.

A study of the questions submitted on the qualification blank and the answers of these agents showed that they were engaged in the insurance business and had received training in it and there was no reason to refuse them a license except on the question of whether or not they are bona fide agents. This will be developed at the hearings to be held in Kansas City when these agents will be examined.

Kansas Program Announced

Speakers for the Kansas Insurance Day, which will be held at Wichita, June 14, have been announced. They are: Charles T. Evans, vice-president of the Home Fire of Arkansas; Frank M. Chandler, assistant resident manager of the American Employers at Chicago; Harry Curran Wilbur of Chicago; C. M. Cartwright of THE NATIONAL UNDERWRITER; W. A. Elstun of Topeka, state fire marshal; Commissioner W. R. Baker of Kansas; Duane T. Stover of Harris-Burns Company of Wichita, is chairman of the banquet committee.

McKinney Gets Lumbermen

E. M. McKinney of Des Moines has returned from the east, having secured the general agency of the Lumbermen of Philadelphia for Iowa. This gives the E. M. McKinney Company the general agency of the American Equitable, Republic Fire, Lumbermen and Central Surety of Kansas City. He has over 100 agents in the state and is going strong.

Hail Does Damage in Missouri

Considerable damage was caused by a heavy hail storm which swept the

vicinity of Cuba, Mo., last week. Hundreds of windows in Cuba were shattered while considerable damage was done to slate and shingle roofs. The loss to growing crops was heavy as the stones were of considerable size and covered the ground to a depth of two and three inches.

Many automobiles touring along the hard roads in the vicinity were caught in the storm and badly damaged, the stones shattering windows and piercing the automobile tops. Some machines had as many as 30 holes in the roof when the storm had passed.

Vincent Fire Prevention Head

DES MOINES, June 6.—At the annual meeting of the Iowa State Fire Prevention Association the following officers were elected: President, Ralph G. Vincent, Continental; vice-president, J. H. Bunten, Fire Association; secretary-treasurer, Claude W. Borrett, Hanover. The executive and inspection committees will be appointed later by the officers. A number of plans are under way for advancement of fire prevention work in the state for the coming year. Six town inspections were held last year.

Iowa Blue Goose Elects

DES MOINES, June 6.—At the annual meeting of the Iowa Blue Goose the following officers were elected: Most loyal gander, A. C. Hall; supervisor, Clarence Hathorn; custodian, James P. Fellows; guardian, Charles E. Wherry; keeper, Frank B. Phillips; welder, Dwight F. Lewis. Four members were initiated. The incoming most loyal gander was appointed delegate to the grand nest meeting at Montreal.

The mid-season splash will be held at Lake Okoboji July 19-20.

Ask for Additional Briefs

TOPEKA, KAN., June 6.—The Kansas tax suit will not be finally submitted to the district court of Shawnee county until late in the present week. The oral arguments and the first briefs in the case were submitted to Judge Klein last week but the court asked for additional briefs on some of the points argued by the attorneys and each side was given until Thursday to submit supplemental briefs. The arguments and the briefs in the case were on the motion of the state to dismiss the injunction order secured by the insurance companies. Judge Klein indicated that he might take two or three weeks to decide the case. It appears certain that the appeal in the case cannot be perfected before the summer vacations so that the case will not reach the Supreme Court until the fall sessions.

Compromise on Kansas City Patrol

KANSAS CITY, MO., June 6.—The Underwriters Fire Patrol of Kansas City has relinquished its right to 25 percent of the license fees collected by the city from the insurance agents, companies and brokers, this amount to be applied to the firemen's pension fund. The decision was made as a compromise with the city because the underwriters felt that the pension fund was worthy in character. The Underwriters Fire Patrol was under no legal liability to give up the 25 percent, since a recent Missouri Supreme Court decision ruled that the patrol was entitled to the entire amount of the fees collected by the city to apply on the operation of the patrol.

Iowa Tornado Losses

Losses occasioned by the tornado which recently swept through a territory from Cherokee to Correctionville, Ia., have been estimated by adjusters work-

ing in the devastated territory at \$200,000.

W. C. Topping, Sioux City manager of the Underwriters Adjusting, reports many freak losses at Cherokee and states that the usual condition prevails of destroyed property inadequately insured. The \$25,000 loss to the administration building of the state hospital for the insane at Cherokee will be borne by taxpayers of the state inasmuch as no insurance is carried on state buildings. The second largest loss at Cherokee was \$10,000 by the Illinois Central railroad, the roof of its roundhouse being swept away.

Sioux City Agents Aid Drive

Several members of the Sioux City Fire & Casualty Underwriters Association furnished an escort for G. W. Scott, representative of the National Association of Insurance Agents, in visiting insurance agents in several of the larger northwestern Iowa towns. Among those who assisted Mr. Scott from the Sioux City association were Ross P. Brown, T. M. Prall, Fred W. Colvin and Henry B. Wright.

Plan White Plains Campaign

An intensive education and inspection campaign, which will be carried on during the next three weeks, is being launched by the Missouri State Fire Prevention Association in West Plains, scene of the terrible disaster of last month, which cost the lives of many persons and the more or less serious injury of a large number of others, when a gas explosion in a public garage wrecked a hall on a floor above where a social gathering was being held. A stringent fire prevention and fire safety ordinance has been drafted, on the recommendation of the State Fire Prevention Association, for adoption at the next meeting of the city commission.

Commenting on the matter, the West Plains "Daily Quill" calls attention to the fact that a year ago the West Plains Chamber of Commerce made arrangements for the State Fire Prevention Association to put on a campaign in June of this year and sums up the situation as follows: "That their date for putting on the campaign here was set by chance just one month too late to prevent the disaster of last month seems a cruel trick of fate."

Heavy Loss in St. Louis

ST. LOUIS, June 6.—A fire which originated in the five-story brick building at 409-13 North Broadway, occupied by Thomas W. Garland, women's ready-to-wear, did damage estimated at approximately \$600,000, \$100,000 to buildings and \$500,000 to contents.

Firemen succeeded in confining the fire to the twin buildings occupied by the Garland company on Broadway, but adjoining stores suffered loss from smoke and water. The Alex F. Kessler Fur & Hat Company, 509 Locust street, had a \$200,000 stock of furs stored on the third floor of its building exposed to the dense smoke. This stock was insured but the exact damage has not been determined. Losses sustained by other merchants were comparatively light.

Missouri Preventionists Meet

CHILLICOTHE, MO., June 6.—The semi-annual meeting of the Missouri State Fire Prevention Association is being held at Chillicothe tonight in conjunction with the field men's dinner. Tomorrow a re-inspection at Chillicothe will be made concluding the town inspection and fire prevention campaign which has been in progress the past few weeks.

Kansas Notes

Mrs. W. B. A. Brandt, wife of the engineer for the Wheeler-Kelly-Hagney Co., Wichita, formerly of the Kansas Inspection Bureau, sustained a broken arm and other minor injuries when a bus approaching Topeka from Kansas City, May 31, left the road as result of blowout and went down a 20-foot embankment.

Missouri Notes

The Brookfield, Mo., high school was destroyed by fire last week. Loss was \$50,000, with \$34,000 insurance.

George W. Kerdoff of the firm of R. B. Jones & Sons, Kansas City, Mo., received word of the death of his mother last week at her home in Lexington, Mo.

F. R. Bigelow, president of the St. Paul Fire & Marine, was in Kansas City last week on a business and pleasure trip. He visited the R. B. Jones & Sons and

the Oppenheimer Bros. agencies while in this city.

Lack of fire plugs, due to a flight of residents of the district against annexation, forced firemen to stand by helplessly while the \$35,000 home of Lorentz Laxerine on the Ladue road a mile west of Clayton, Mo., burned to the ground May 31.

Virtually the entire business district of Meadville, Mo., was wiped out by fire May 31. The total loss was estimated at \$100,000. The fire started in the basement of the store of the Stambach Mercantile Company and quickly spread to adjoining structures. Meadville has no water system and firemen from Laclede and Linneus were forced to use buckets in fighting the flames.

A gasoline blow torch which flared unexpectedly and ignited oils and varnishes on a work bench in the shipping room of the Dau House Furnishing Company, 3432-34 Lindell boulevard, St. Louis, caused a fire which did \$75,000 damage. Firemen were handicapped in fighting the fire because every window was blocked by articles of furniture and it was even necessary to batter a hole in the rear wall in order to get an adequate supply of water into the building.

Iowa Notes

Louis J. Smith, Jr., of B. L. McClelland & Co., Des Moines adjusters, was married recently at Osceola, Ia., to Miss Mildred Lowe, whom he met while a student at Des Moines University.

A jury at Dubuque, Ia., found C. H. Reynolds, real estate and insurance agent there for many years, guilty of larceny by embezzlement. The jury found the defendant converted to his own uses \$1,700.

Mrs. W. E. Duncombe has taken over the insurance agency of her husband, the late Carl M. Duncombe, in the Shell building, Fort Dodge, Ia. Mrs. Duncombe plans to enlarge the agency to include lines other than fire.

Nebraska Notes

The monthly report of Fire Chief Hansen of Lincoln, Neb., shows only 55 fires in May, with the loss record only \$1,825. This compares with 78 alarms and \$40,585 loss in April.

Fire damaged the courthouse at Albion, Neb., to the extent of \$3,000, the other night. In recognition of the services of the volunteer departments of Albion and St. Edwards in saving the \$100,000 building, the county commissioners gave all members a complimentary banquet.

SOUTHWESTERN FIELD

EXPECTS GOOD ATTENDANCE

President Burton of the Texas Association of Insurance Agents Anticipates Interesting Meeting

GALVESTON, TEX., June 3.—President Fred M. Burton of the Texas Association of Insurance Agents expects an attendance of about 450 members for the annual meeting Thursday and Friday of this week. C. D. Campbell of Nixon, president of the Country Agents Association of Texas; Senator Gus Russek of Schulenburg and C. E. Tips of Seguin have shown a great interest in having the two associations cooperate and work for the common good of Texas. A large number of members of the Country Agents Association will be on hand. T. M. Campbell, Jr., fire insurance commissioner, has been of great service to the Texas Association in many ways.

President Burton states that his personal business will not permit him to accept the presidency for another year, although much pressure has been brought to bear on him to accept the place again.

WEST TEXAS TO GIVE INSURANCE A PLACE

FORT WORTH, TEX., June 6.—Realizing that insurance companies have played a great part in the wonderful development of west Texas, they have been given a part in the program of the annual West Texas Chamber of Commerce convention, to be held in Fort Worth, June 18-20. The principal speaker will be Henry S. Ives, vice-president of the Casualty Information Clearing House, Chicago. His subject

will be "The Sovereignty of Insurance." In the past decade no section of the United States has shown a more rapid growth than west Texas has experienced. Insurance companies have been instrumental in promoting this progress and for this reason the special date has been fixed for the insurance men.

This will be the first time since the organization of the West Texas Chamber of Commerce, 10 years ago, that a special program has been arranged for the insurance men.

Prudential Starts July 1

The recently organized Prudential Fire of Oklahoma City, of which T. E. Braniff of the Braniff Investment Company is president, will begin writing policies July 1, it was announced this week. The new company is financed from sales of stock to agents, and no stock will be offered to the public, nor disposed of through investment brokers. The Prudential is an institution of the west, President Braniff says, organized to serve Texas, Kansas and Oklahoma. Ed Overholser is vice-president; G. A. Nichols, vice-president; E. E. Doggett, secretary; G. Tom Beaver, treasurer.

George M. Easley & Co. Promotions

Carl E. Doss has been admitted to membership in the firm of George M. Easley & Co., general agents at Dallas, Tex. Mr. Doss has been connected with the agency for many years. W. L. Webster has been advanced to agency superintendent. Mr. Webster has been with the organization over 10 years. Recently he was special agent. While his new position will necessitate considerable time in the office he will still be

able to keep in touch with part of his field.

Storm Losses in Southwest

Storms in scattered portions of Texas and Oklahoma Thursday night and Friday morning caused several deaths and resulted in much property damage and loss to crops. In one county damage to strawberry crops alone amounted to more than \$25,000. Lightning caused two fires with a total loss of \$35,000 and dozens of smaller losses, ranging from \$5,000 to \$10,000 have already been reported.

Organizing New Oklahoma Company

OKLAHOMA CITY, June 6.—J. P. Battenburg, formerly president of the Northwestern State Teachers College at Alva, Okla., is organizing an insurance company, which will probably have home offices in Oklahoma City. Mr. Battenburg has conferred with the insurance commissioner on the subject but papers have not been signed.

Muldaur Speaks in Dallas

George B. Muldaur, general agent for the Underwriters Laboratories, New York City, addressed the Texas Blue Goose at its noon luncheon at Dallas June 4.

Texas April Losses

AUSTIN, TEX., June 6.—Losses from 444 fires reported to the state fire marshal in April aggregated \$871,801. Of this number 131 were from unknown causes with loss of \$403,962. Fifteen incendiary fires caused loss of \$40,474, and matches and smoking started 42 fires with loss of \$32,961. Other main causes were: Defective chimneys and flues, 22, losses \$5,034; exposure, including conflagrations, 43, losses \$93,622; electricity,

46, losses \$78,804; gas, natural and artificial, 21, losses \$34,477; rubbish and litter, 20, losses \$13,467; spontaneous combustion, 6, losses \$70,416; stoves, furnaces, boilers and their pipes, 23, losses \$38,858.

Philadelphia National in Texas

The Philadelphia National has been licensed in Texas. R. D. Coughanour & Sons of Dallas were designated as general agents for Texas.

General Agents for Stuyvesant

DALLAS, TEX., June 6.—The Stuyvesant has appointed T. A. Manning & Son of this city general agents for Texas. Manning & Son are already general agents for the Svea, Hudson, Girard Fire

& Marine, Eureka-Security and the Ohio Casualty.

Texas Notes

Fire loss in Dallas for April amounted to \$175,545 with insurance loss of \$138,384.

A fire of undetermined origin at Houston, Tex., completely destroyed the Saint Grain Company. More than 30,000 bushels of grain were destroyed, with several thousand tons of hay and other feedstuff. The loss is estimated at \$100,000, partly covered by insurance.

Explosion followed by fire Saturday wrecked the Landon-Hill Company and the Sherwin-Williams Paint Company at Wichita Falls, Tex., injuring two firemen and causing loss of \$120,000. A carload of linseed oil and quantities of lacquer and alcohol exploded and blew part of the roof off with a reverberation that was heard a mile away.

IN THE SOUTHERN STATES

PLANS TO CANCEL INSURANCE

Kentucky Commission Proposes Cutting of Coverage on State Buildings One Tenth

FRANKFORT, KY., June 6.—Proposals to cut down the amount of insurance carried on the new state capitol and other state buildings were made at a recent meeting of the state board of sinking fund commissioners. Final action on the plan was deferred for the time being. Tentative plans call for the cancellation of all policies taken out by the sinking fund commission of the

Fields administration. Insurance now carried on the new capitol amounts to \$2,000,000 in fire and \$2,000,000 tornado, and \$740,000 is spread over the other state-owned buildings. Premiums on that insurance cost the state \$30,241.22. All the policies were taken out for five years. They have run approximately six months. Under the plans suggested at the meeting the insurance on the new capitol will be slashed to \$200,000 fire and \$200,000 tornado, and other state buildings will be reduced commensurately. The commissioners intend to prorrate the new insurance among the companies doing business in Kentucky, according to present plans.

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EIGHTY-SEVENTH YEAR



CAMDEN FIRE

INSURANCE ASSOCIATION

CAMDEN, NEW JERSEY

January First, Nineteen Twenty-eight

CAPITAL STOCK	\$2,000,000 00
NET SURPLUS	3,548,708 77
Reserve for Unearned Premiums	5,560,190 38
Reserve for Losses in Process of Adjustment	873,449 00
Reserve for Taxes	246,090 00
TOTAL ASSETS	\$12,228,438 15

This is in opposition to the policy of former commissions, which have dealt with the agents rather than directly with the companies.

COMMENT MADE BY KENNEDY

President of Buffalo Tells Kentucky Official Results That Go With Valued Policy Law

President Sidney R. Kennedy of the Buffalo, in answering a letter addressed by Deputy Auditor George Keenon of the department of fire prevention and rates in Kentucky on the subject of incendiary losses due to over-insurance, calls attention to the fact that the valued policy law of the state practically encourages and puts a premium on arson. Mr. Kennedy says:

"No insurance agent can always determine the actual cash value of a building—which may be only a fraction of its cost less depreciation or its replacement value—nearly so well as the owner of the building. Unfortunate incidents of overinsurance are consequently certain to occur, because in many cases an inspection made by the insurance agent cannot disclose facts coming to light only after the loss, which led the owner to desire to sell his property to the fire companies for the amount of insurance a reasonably careful agent had granted upon it.

Penalizes Honest Men

"A valued policy law invariably penalizes honest property owners and benefits dishonest ones, because after all, the companies must secure in any territory rates high enough to pay both their honest and dishonest losses and reasonable expenses, and no amount of theirs or their agents' care in limiting the amount of insurance on buildings can wholly offset the vicious effects of the valued policy law and prevent moral hazard losses from continuing to occur because of its provisions. We do not ever like to overpay losses, but this law sometimes compels us to do so.

Should Repeal the Law

"More care on the part of agents granting insurance may save a few dishonest fires, but if you desire to control this situation in a broader and more practical way, it would in my opinion be far better for you to use the great influence of your department with the legislature of your state in an endeavor to secure the repeal of the above numbered law.

"You naturally have my best wishes for your success along any lines in which you may be able to improve the moral hazard in Kentucky, although I feel somewhat skeptical when I read in the paper today that a Louisville jury last week brought in a verdict against an insurance company and in favor of two men who had been convicted of arson and served at least part of their penitentiary sentences."

ANNOUNCE GEORGIA PROGRAM

Warren W. Ellis of the National Board and E. P. Roberts Among Speakers

MACON, GA., June 6.—The program for the annual convention of the Georgia Association of Insurance Agents, which will be held at Tybee Island June 22-23, has been announced. Among the speakers will be: E. P. Roberts, manager of the Southern Adjustment Bureau of Atlanta; Warren W. Ellis of the National Board, New York, and Clyde B. Smith of Lansing, Mich.

Mr. Roberts will speak on "How the Local Agent Can Cooperate with the Adjuster." From his long experience in adjustment work, he is qualified to treat this subject in an interesting and instructive manner.

Mr. Ellis is in the publicity department of the National Board and was formerly

advertising manager of the Home of New York. He is well posted on insurance advertising.

Mr. Smith will represent the National association on the program. He is a member of the National executive committee.

Convicted Arsonists Given Judgment

LOUISVILLE, June 6.—The futility of trying to secure convictions or even save paying losses in arson cases, so long as the public is prejudiced against insurance companies, was seen in Louisville when a jury awarded judgment for \$2,500 in a suit for \$14,500 against the Niagara Fire and others, under policies of \$25,000, carried on stock, fixtures, etc., by Halpin C. and Raymond C. Wolf, brothers, who formerly operated a candy business at 418 East Market street.

The place burned Dec. 12, 1924. Firemen found several fires set. The brothers were convicted and sentenced to one year each in the penitentiary. The court of appeals upheld the lower court. The two men served six months each before being pardoned by the governor.

When the suit for the insurance money was brought to trial the plaintiffs brought in the conviction themselves. Even with this information the jury awarded a decision against the companies.

Kentucky Agent's License Suspended

FRANKFORT, KY., June 6.—The insurance license of J. A. Vittilow of Owensboro, Ky., was suspended by Commissioner Saufley for 90 days. This action was taken because an examination by Arch Pulliam, deputy commissioner, developed, so Commissioner Saufley says, that Vittilow had been over-insuring property in Daviess county.

This action is the first taken by the commissioner since he recently announced that he would enforce the statute on this subject to the letter.

Georgia Blue Goose Elects

A. F. Irby was reelected most loyal gander of the Georgia Blue Goose at the annual meeting at White Sulphur Springs. The pond acted favorably on the group life plan.

Plans for Lexington Meeting

LOUISVILLE, June 6.—The Kentucky State Fire Prevention Association will hold its annual meeting at Lexington, Ky., June 13. President George L. Frank will open the meeting and deliver an address. Secretary E. G. Stuart will give his annual report. Addresses will be made by Sam B. Walton, Lexington local agent and chairman of the Lexington Chamber of Commerce fire prevention committee, and by Richard E. Vernor, manager of the fire prevention department, Western Actuarial Bureau.

Members who are also members of the Kentucky Fire Underwriters' Association will go on from Lexington to Crab Orchard, Ky., for the mid-summer meeting of the latter organization June 14-15.

Richmond Exchange Annual Meeting

Friday, July 13, has been fixed as the date for the annual meeting of the Insurance Exchange of Richmond which is to be held at the Chickahominy Country Club. Fred W. Clintsman is chairman of a committee arranging for the entertainment features. William T. Johnson, now rounding out his second term as president, is not standing for reelection for a third term. Herbert B. Race is vice-president.

Inspect Lancaster, Ky.

George L. Frank of Louisville, president of the Kentucky Fire Prevention Association, made an address to the Rotary Club at Lancaster, Ky., last week urging cooperation in removing fire hazards in that city. An inspection of the city was under way at the time. J. V. Bowman complimented the city because of its splendid condition. E. G. Stewart, secretary of the association; R. T. Sweeney and H. W. Robertson also spoke.

Springfield, Ky., Agency Change

At Springfield, Ky., Roy Bateman has sold his farm and recording fire departments to the McElroy, Wharton & Boldrick agency, and is retiring from the fire insurance business to devote his attention

to his life insurance department. The Bateman agency had all Bureau companies, whereas the McElroy agency is a Union organization, which means that none of the Bateman companies can transfer.

B. C. Irwin Will Wed

Beverly Call Irwin, assistant secretary of Leon Irwin & Co. of New Orleans and youngest son of Leon Irwin, is to be married June 16 to Miss Ule C. Coleman of Beaumont, Tex.

Virginia Notes

"Chatham Hill," suburban home of Dr. S. W. Budd of Richmond, Va., burned last week with resultant estimated property loss of \$40,000, well covered by insurance.

Miss Marion Helen Godbold, daughter of H. V. Godbold, head of the H. V. Godbold Company agency, Richmond, will be married June 16 to Andrew Gilbert Bell, well known young business man of that city.

George B. Jennings, popular Virginia state agent for the Royal, is the proud possessor of a Blue Goose emblem presented him recently in recognition of his services as most loyal gander of the Virginia pond for two years.

Ernest B. Hanks, who resigned recently as special agent for the farm department of the Hartford in Virginia and North

Carolina with Richmond headquarters, has gone to his old home at Lawrenceburg, Ky., where he expects to spend some time renewing acquaintances. He had been with the Hartford for a number of years.

Kentucky Notes

John A. Heitmeyer, secretary of the Liberty Fire of Louisville and Liberty Insurance Agency, is on a three weeks motor trip to Texas with his family.

H. H. Chittenden, special agent in Ohio for the City of New York, spent Decoration Day in Louisville with his brother, James E. Chittenden of the Philadelphia Fire & Marine.

Lowry Watkins, prominent in real estate and insurance circles of Louisville, has recently made application for membership in the Louisville Board as a new member of the local agency of Pirtle, Weaver & Menefee.

Fred H. Lieber, a partner in the R. L. Hawes & Co. agency of Louisville, has sold his interest in that organization to R. L. Hawes. Mr. Lieber went to the Hawes agency a couple of years ago from the Liberty Fire. He plans to remain in the fire insurance business, and is planning a new connection.

The Pineville Insurance Agency, Pineville, Ky., has filed amended articles of incorporation increasing the capital stock from \$15,000 to \$50,000. The increase was made in order to take care of the agency's increased business and in particular for the purchase of the Jones-Smith Agency.

ON THE PACIFIC COAST

MONTANA RULINGS ISSUED

Commissioner Porter Calls Attention to Law Regarding Misrepresentation of Policies and Benefits

HELENA, MONT., June 6.—George P. Porter, state auditor and commissioner of insurance, has issued several new rulings.

Insurance companies and agents doing business in Montana must refrain from circulating or spreading any rumor or report calculated to reflect upon or injure the standing of any competing company or agent. Any insurance company or agent licensed to do business in Montana who misrepresents the whole or part of any contract of another company for the purpose of having the insured drop his policy or contract in order to write him a new policy will be considered guilty of twisting and misrepresenting, according to the commissioner's ruling.

The commissioner also sent out a ruling calling attention to the law regarding the misrepresentation of insurance policies or benefits.

Commissioner Porter requested an opinion from the attorney-general regarding the question of the appointment of an agent who simply writes insurance on his own property, thereby securing the benefit of the agent's commission on the premium. The attorney-general held that if an agent was appointed for the purpose of writing his own insurance in order that he might be allowed the agency commission, it would be a violation of the law. He also said that when an agency is created for the purpose of allowing the owner to insure his own property and thus secure the benefit of the agent's commission on a premium, it would constitute rebating under the statute and the commissioner has the authority to make a ruling prohibiting the appointment of such an agent.

C. H. Chisholm Dies

LOS ANGELES, June 6.—Clifford H. Chisholm, who has been connected with the West American since the first of the year in an executive capacity, died June 1 at the Good Samaritan Hospital in Hollywood while undergoing an operation. He was 35 years of age and formerly lived in St. Louis, to which city the body was taken for burial.

Clifford L. King, assistant manager of the Pacific Coast department of Crum & Forster, is making a three weeks' tour of the Pacific Northwest territory.

CHECKING UP ON LICENSES

California Department Sets June 8 as Last Date for Filing of Protests Against Renewals

SAN FRANCISCO, June 6.—Protests against renewal of licenses to existing agencies must be in hands of the insurance commissioner of California by June 8. Local associations through the state have been advised of this deadline by the California association, with the suggestion that speed be the order of the day.

It is the intention of the insurance

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department, under the recent compromise effected as to the method of utilizing the new and more elaborate agency application forms, to compel any questionable agencies to complete the new form, so that only those agents that are generally conceded to be legitimate will be granted the renewal of their license without presenting additional information through the medium of the new strict blank.

It is expected that hundreds of so-called illegitimate agencies will be cleared up through this means during the next month. Local associations in the state are busy compiling lists of doubtful agency licenses in their communities.

EARTHQUAKE FIGURES OF GENERAL ARE QUESTIONED

SAN FRANCISCO, June 6.—Since the recent publication of a chart issued by the General of Seattle, purporting to show the gross and net earthquake liability of 152 companies as of Dec. 31, 1927, much adverse comment has been heard here. Company officials claim that the figures are at least 50 percent too high and in many instances even 75 percent above the true figures. It was claimed the data was secured from the Washington insurance department and it is pointed out that if the figures were taken from reports made by companies to Commissioner Fishback in 1926 they are most certainly not the figures which obtain as of Dec. 31, 1927, as stated by the report. The figures given to Commissioner Fishback have been altered by a readjustment of lines and according to Pacific coast managers the chart does not present a figure even approximating the true facts at the end of 1927 on earthquake liability.

General Holds Annual Convention

SEATTLE, June 6.—More than 200 delegates attended the annual convention of the General of Seattle. Western states and western Canada were represented. Growth of the company was emphasized by convention speakers, including President H. K. Dent, Sam Lamping, assistant to the president, and Frank Becker, in charge of the auditing department.

Gilmore in Coast Field

SAN FRANCISCO, June 6.—Marvin Gilmore, for the past three years special agent in Indiana for the National Union and prior to that manager of a Gary, Ind., agency, has been appointed special agent for southern California by the California Agencies, with offices at 1208

West 8th street, Los Angeles. The appointment of Mr. Gilmore, who is well versed in fire and automobile lines, having several years ago been connected with the automobile department of the Chicago office of the Liverpool & London & Globe, marks the commencement of increased activity in fire business by the California Agencies, which represents as general agents the Transcontinental Fire, and Utah Home. This company also represents the Continental Casualty and prior to the appointment of Mr. Gilmore had concentrated on the development of casualty business.

Use Air Transportation on Coast

SAN FRANCISCO, June 6.—Thomas H. Anderson, Pacific coast manager of the Liverpool & London & Globe, and Frank M. Hall, resident vice-president of the Globe Indemnity, have returned from an agency trip to the Pacific Northwest by airplane. Considering it is possible to make the trip from Portland to San Francisco in less than six hours, while by train it takes the better part of two days and nights, this mode of travel is likely to become popular with insurance executives. Frank L. Hunter, Pacific coast manager of the Norwich Union, was the first executive to use this means of transportation, flying to Seattle recently.

Nauman Leaves General Agency

SAN FRANCISCO, June 6.—H. A. Nauman will retire from the general agency firm of Chapman & Nauman July 1 for the purpose of engaging in the general brokerage business in San Francisco with his son. Mr. Nauman has always favored the production end of the insurance business and although a general agent for fire and casualty companies he was a large producer of life insurance, as well as other lines.

His retirement means the divorce of the brokerage business from the general agency firm, and it is expected that the name of the firm will be changed in the near future. A. J. Chapman, who will now head the agency, was recently appointed northern California general agent for the United States Casualty.

Appointment Is Approved

Appointment of Rathbone, King & Seeley as general agents for the Columbia Fire Underwriters Agency of the National of Hartford has been approved by the Pacific Board.

Coast Notes

Joy Lichtenstein, Pacific Coast manager of the two Hartfords, is in Salt Lake City on an agency trip.

John H. Schively, secretary of the Insurance Federation of California, was the principal speaker before the Lions Club at Vallejo. On Memorial Day he made an address before the Veterans Alliance in the same city.

NEWS FROM EASTERN FIELD

GIVE NEW ENGLAND PROGRAM

Harrington and Rhoades Among Speakers at Annual Summer Agents' Convention June 20-22

BOSTON, June 6.—The program for the seventh annual summer convention of the New England Associations of Insurance Agents to be held again this year at South Poland, Me., June 20-22, has now been completed, and promises to be fully up to the interesting sessions of previous years. There will be a dinner on Wednesday evening to open the convention, with business sessions Thursday and Friday mornings. Golf and social features will occupy Thursday and Friday afternoons and evenings.

The speakers of the convention are to be Governor Ralph Brewster of Maine, W. Eugene Harrington of Atlanta, Ga., president of the National association; Sumner Rhoades, manager of the Eastern Underwriters Association; T. Alfred Fleming, chairman of the fire prevention committee of the National Board; Dudley Harmon, executive vice-president of the New England Council, and Counsel John W.

Downs of the Insurance Federation of Massachusetts. Registrations are being received by Thomas C. White of Lewiston, Me.

Buffalo Rates Revised

BUFFALO, N. Y., June 6.—Fire rates on certain types of frame buildings in Buffalo have been revised to approximately the schedule in effect in this city in 1914, following an authorization of the New York Fire Insurance Rating Organization. Premiums affected by the new schedule are about 7 percent of the entire amount paid annually for fire coverage in this market.

A statement by E. H. Sigison, manager of the Buffalo division of the rating organization, explains that under this supplement to the uniform schedules table there will be a spread of rates in the conflagration district of the city and covering some structures outside the district. The new schedules are made possible by cooperation of all affected interests and will be put into effect as speedily as possible.

Manchester Board Elects

MANCHESTER, N. H., June 6.—Alexis F. Bisson was elected president of the Manchester Fire & Casualty Association at a meeting of the directors the past

week. Bayard C. Ryder was elected vice-president; Timothy M. Sheehan, acting secretary, and Frank B. Bennett, acting treasurer, with power of treasurer. Stephen B. Stearns, who died the day following the meeting, was elected secretary-treasurer.

The action of the directors followed a meeting of the association at which the following directors were elected: William G. Berry, Alexis F. Bissan, James S. Cavanaugh, Frank B. Dennett, Gilman McAllister, Bayard C. Ryder and Timothy M. Sheehan.

New England Blue Goose Meeting

BOSTON, June 6.—The New England Blue Goose will hold its annual meeting in Boston June 8. The matter of unusual interest is action on a proposed plan of group insurance for all members of the Blue Goose, under a blanket policy to be placed with the grand nest. A large number of the members of the New England pond have expressed themselves in favor of accepting the plan.

Elected to Membership

Three New York companies, the American Colony, the Brooklyn Fire and the Merchants & Manufacturers Fire, have been elected to membership in the Philadelphia Fire Underwriters Association.

John B. Kunkley Promoted

John B. Kunkley has been appointed manager of the Philadelphia metropolitan department of the Lumbermen's. He will succeed Thomas G. Donnell, who has resigned to accept the management of the Philadelphia branch office of the Employers Fire and the Liberty Bell. For the last four years Mr. Kunkley has

handled the detail agency work in the Philadelphia office of the Lumbermen's. Prior to joining the company he was in the brokerage office of Charles W. McCue.

Celebrate 75th Anniversary

The Swan & Sons-Morse Company of Elmira, N. Y., is celebrating the 75th anniversary of its organization. The late Charles Swan started the agency in 1853 and later was joined by his sons. In 1920 Hume Morss of Syracuse entered the agency and it was incorporated under its present name. The present officers are Frederick W. Swan, president and treasurer; Hume Morss, vice-president, and R. B. Steele, secretary.

Eastern Notes

William H. Gurney, treasurer of the general agency of Gurney, Overturf & Becker, Buffalo, has been elected a member of the board of trustees of the Charity Organization Society of that city.

A shore luncheon at noon and a sea food dinner at night, with sports and athletic events, will be features of the annual outing of the Chesapeake Blue Goose June 28.

Roy R. Brockett, mayor of Kenmore, N. Y., and vice-president of the A. A. Bettinger general agency in Buffalo, has been honored by election as a director of the Buffalo section of the Knights of the Round Table.

New England Notes

The American Merchant Marine has been admitted to Massachusetts. Kenneth H. Erskine of Boston has been named agent of record.

Mitchell, Whitten & Mowbray have been appointed Boston and metropolitan district agents of the Washington Underwriters of the National Liberty.

IN THE CANADIAN FIELD

CANADIAN COMPANY FAILS

Dominion Gresham Guarantee & Casualty Goes into Liquidation—Reason Not Revealed

MONTREAL, June 6.—The Dominion Gresham Guarantee & Casualty, which was incorporated and commenced business in 1893, has gone into liquidation. It had \$1,000,000 of authorized capital of which \$250,000 was paid in. The latest government report, for 1926, showed assets of \$709,462 and liabilities of \$357,580, making a surplus of \$351,882, or \$101,882 over the capital stock. Nearly all of the business was in Canada, the most important lines being automobile and workmen's compensation. A preliminary government report for 1927 shows that its premiums were \$394,831 and losses \$401,327. At the end of 1926 the company held government, municipal and railway securities with a market value of \$535,794.

Robert Welch was general manager and secretary of the company until a few weeks ago. Directors were as follows: F. W. Evans, president; William Hanson, vice-president; Sir Hormidas Laporte, F. W. Fairman and A. D. Anderson.

The reasons for the failure have not yet been revealed. Fire insurance at risk at the end of 1927 was \$19,409,000, of which about half was reinsured. The Crown Trust Company, Montreal, has been appointed provisional liquidator.

New Companies Licensed

The Compagnie D'Assurance Generale has been licensed in Canada for guarantee and hail insurance and Hudson Bay for accident, burglary, guarantee, plate glass and sickness insurance.

The City of New York has been licensed to transact fire insurance business in the Province of Alberta.

New British Columbia Officers

VANCOUVER, B. C., June 6.—At the annual meeting of the automobile branch of the British Columbia Insurance Underwriters Association the following officers were chosen: J. Cecil Stuart, chairman; R. Winckley, vice-chairman. The executive committee is composed of J. E.

Rose, J. Hunter Henderson, R. C. Janion, W. C. McLaine, J. A. Young, W. G. Gerard, W. R. Sloan, A. C. S. Pitts, S. Clegg and A. McBride. The automobile branch has now 106 members, while the fire branch has 190. An amalgamation of the two branches took place at the end of last year.

Sir Arthur Worley in Canada

Sir Arthur Worley, general manager of the North British & Mercantile, and Lady Worley have arrived in Canada from England. Sir Arthur will visit the United States and Canadian branches of the company.

Halifax to Enter West

WINNIPEG, June 6.—B. D. Rogers, superintendent of the Halifax Fire, arrived in the city last week for the purpose of looking over western Canada with a view of extending the operations of the company. The company is planning to open an office in Winnipeg to supervise the western business. It is one of the oldest in Canada, having been in operation for over 119 years, and controls assets estimated at about \$2,000,000.

Mill and Elevator Losses

WINNIPEG, June 6.—Fire at the Manitoba Cooperative Wheat Producers elevator at Alexander, Man., which contained about 30,000 bushels of wheat, involved a loss estimated at about \$40,000. An elevator at Grayson, Sask., belonging to the Western Canada Flour Mills was recently destroyed with loss of about \$16,000. So far there have been some heavy losses in the west this year in regard to elevators and their contents, the losses to date already equaling the total loss for the previous year.

Issuing Automobile Certificate

REGINA, SASK., June 6.—The Saskatchewan Insurance Agents' Association have issued an automobile owners' identification certificate which will be given to the assured by members of the association, insuring service to the insured while traveling in case of accidents.

Financing Almost Completed

Financing of the Trans-Canada, which will write fire, automobile and casualty, is almost completed. The capitalization consists of 10,000 shares of stock which will be offered at \$150 per share, of which \$100 will be considered capital and



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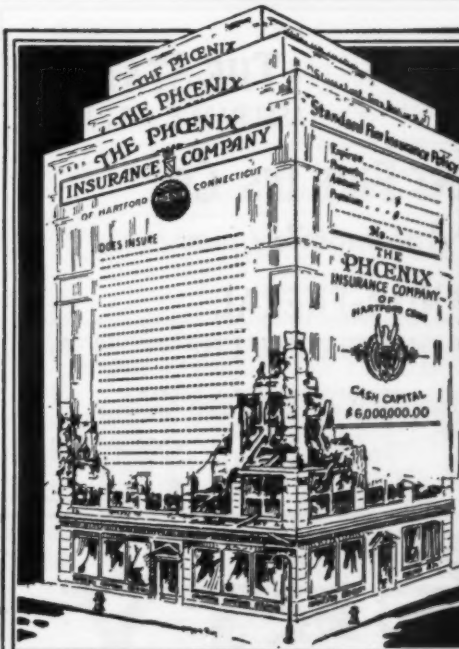
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\$50 as premium or working capital. Payment of \$50 a share will be required on subscription. Of this \$50, \$20 will be capital and \$30 premium. Within 30 days an additional \$20 a share will be called for in two payments of \$10 each. It is expected that \$70 a share will be sufficient for the company at the start.

The Trans-Canada will operate throughout the Dominion. P. J. Perrin, vice-president of the Mount Royal Assurance, is managing director in full charge of insurance operations of the Trans-Canada. Charles McCabe, who for 25 years has been with the Royal, will be secretary of the new company. Stuart Saver, formerly of the Globe & Rutgers, will be assistant general manager.

Adopts Group Insurance Plan

TORONTO, June 6.—The Ontario Blue Goose at a recent meeting here unanimously decided to adopt the group life insurance plan offered to members of the order by the American National of Galveston. Cards have already been sent out for signatures of acceptance.

Canadian Losses Compared

According to the "Monetary Times," fire losses in Canada for the week ending May 22 are estimated at \$314,900, as compared with \$547,200 for the corresponding week of 1927. Losses from Jan.

1 to May 22 are estimated at \$7,782,500, as compared with \$7,714,050 for the period from Jan. 1 to May 25, 1927.

Saskatchewan Bill Fails to Pass

REGINA, SASK., June 6.—The proposed amendment to the Saskatchewan insurance act, preventing mortgage companies from covering commission on policies placed by them on property upon which they have loaned, did not pass at the last session of the legislature. The bill received two readings, but the house prorogued, and it is believed that it will again be brought up at the next session.

Canadian Notes

The General Insurance Agencies of Toronto are acquiring a block of stock of the Canadian General, for which they are acting as agents.

The Southern Insurance Company has been licensed to transact fire insurance business in the province of British Columbia, with T. W. Greer as manager.

Two fires are reported from Vancouver, one in the Mercantile building causing a loss of \$50,000 before it was extinguished, and the other in the main downtown sub-station of the British Columbia Electric Railway Company, which left the Vancouver Stock Exchange without light, damaging the plant to the extent of \$30,000.

MOTOR INSURANCE NEWS

PROBES AUTO SERVICE CLUBS

Maryland Commissioner Takes Action After Attorney General Holds They Come Under Insurance Laws

BALTIMORE, June 6.—Following an opinion of the attorney general that some of the business of the automobile service clubs operating in the state comes under the insurance laws, Commissioner Benson has started an investigation of these clubs. He summoned representatives of the various clubs to his office and called their attention to an amendment to the law, passed last year, which puts such clubs under the control of the department, and also the opinion of the attorney general.

What Agreements Provide

The service club agreements are sold by agents who travel all over the state. Some of them get as much as \$22 out of a total payment of \$24.50 for a service contract for two years, provided the full amount is paid in cash. If time payments are made the agent is entitled to the first \$10 collected. The commissioner pointed out that the agreement to furnish legal advice and legal services in all suits growing out of the use of the automobile was plainly an insurance agreement, as was that promising to arrange bail in case an automobilist is arrested on a charge connected with the operation of his car. In fact, the only clauses which do not come under the control of the commissioner are those promising free towing service—and of that there was some doubt—and offering gasoline, tires and other auto supplies at a discount to members of the club.

Accident Policies Issued

Commissioner Benson is prepared to insist that the sale or giving away of accident insurance policies in connection with auto-service contracts be stopped. The department has received many complaints from members of service clubs, holding such policies, who found after an automobile accident that they had no protection against suits for damage done to property or for personal injury claims. It is true that the policy makes no such claims, but it is plain that some of the agents in selling the service club contracts gave the purchasers to understand that the policy covered personal, liability and property damage.

These accident policies are sold or given away by agents who do not hold licenses from the department, which is

distinctly against the law. That, the commissioner ruled, must be stopped at once.

Expected to Enter N. J.

HARRISBURG, PA., June 6.—The Keystone Automobile Club of Philadelphia, which recently transformed its inter-insurance exchange into two participating stock companies, is expected to apply for admission to New Jersey at an early date. The Keystone Club has never been able to enter competition for New Jersey automobile risks on account of the laws barring the transaction of the reciprocal exchanges. A public announcement by the club invites all motorists, whether members of the club or not, to insure their cars in the two companies at a saving of 32½ percent, calculated on a 10 percent cut in the standard rates for cars and an expected dividend of 25 percent. This appeal to the general public, regardless of membership in the Keystone Automobile Club, is significant in light of a recent opinion by the attorney general that a reduced rate to an automobile owner because of club membership, not available to a car owner outside the membership, is an act of discrimination under the laws of Pennsylvania.

Baltimore Theft Record

BALTIMORE, June 6.—Automobile thievery in Baltimore is on the decrease if the police records for the first five months of this year, compared with the similar period of last year, can be taken as a criterion. Records at police headquarters show that 1,183 machines were stolen from Jan. 1 to May 31. In 1927 the five-month period show 1,283 thefts. According to the police, more than 90 percent of the machines reported missing by their owners had been taken for "joy rides." In all cases of unauthorized use of automobiles, magistrates of the traffic court impose jail sentences on those found guilty. A sentence of 30 days in jail is usually the punishment meted out to "first offenders."

Interest in Chrysler-Dodge Deal

NEW YORK, June 6.—Automobile underwriters are not a little interested in the recent purchase by the Chrysler Corporation of control of Dodge Brothers at an estimated cost of \$170,000,000, and are speculating as to what changes if any the move will mean in the handling of insurance on these two popular types of cars. After the abandonment by the Chrysler people of their deal with the Palmetto Fire of South Carolina, which arrangement created such a furor in the agency field a couple of years ago, the financing of many though not all of this company's cars sold on the time payment plan was handled by the Commercial Credit Company. Sales of the Dodge cars to a considerable extent were

financed by the Commercial Investment Trust, fire and theft coverage being supplied by a non-conference company of this city.

New Studebaker Finance Company

The Motor Dealers Credit Corporation, recently formed at South Bend, Ind., will hereafter handle the financing of all cars of the Studebaker Company sold on the

time payment plan. The Industrial Acceptance Corporation of New York City, which previously performed the service, has broadened the scope of its activities to embrace the account of such other motor car manufacturers as it may secure, and as well to finance the purchase of merchandise of a general character. The fire and theft covers on Studebaker cars is largely furnished by the Home of New York.

MARINE INSURANCE NEWS

HANRATTY TO HOME OFFICE

Field Supervisor of Automobile in Chicago Made Manager of Inland Marine Department

Frank J. Hanratty, field supervisor of the marine department of the Automobile of Hartford in Chicago, where he has been assisting Manager Campbell, has been appointed manager of the inland marine department at Hartford succeeding George G. Quirk, who recently

resigned and joined the Aetna Fire. Mr. Hanratty is now at the home office. L. E. Day has been appointed assistant manager of the inland marine department. Both of these representatives have had long experience and training as traveling field specialists for the marine departments.

J. R. Donovan, formerly special agent for the marine departments in New York state territory, has been appointed superintendent of agents for the entire country for both the inland and ocean marine departments.

URGE COOPERATION AT VIRGINIA CONVENTION

(CONTINUED FROM PAGE 8)

might be formulated for concerted action.

Devan Urges Cooperation

Manifestation of this spirit of cooperation brought forth the statement from R. P. DeVan of Charleston, W. Va., chairman of the executive committee of the National association, who outlined the five year development plan of the National body in an address before the convention, that it would do more good than anything that had happened in a long time to cement the companies and agencies. Cooperation of the legislative committee of the Virginia association with company representatives in combating hostile legislation at the last session of the general assembly also evoked praise from Mr. DeVan, who said that the example, which it had set was very fine indeed.

In his talk to the agents, Mr. DeVan declared that they are overlooking a big bet if they fail to make use of what he termed the kit of tools which the National association is furnishing them in its five year plan.

Corporate Suretyship Discussed

In an address on "Surety Bonds," Lewis Adair, manager at Richmond for the Fidelity & Casualty, declared that corporate suretyship is becoming too general and its field too wide for agencies in any town to leave the field undisputed to a single agency or possibly to agents in a nearby larger town.

"Any feeling that the business is too complicated or troublesome should be disputed. To pass up the surety lines is to pass up what should be a good and consistent income, he told the agents.

Will Reduce Losses

In the open forum which followed, he voiced the belief that the governmental reorganization program of Governor Byrd would result in a material reduction of losses incurred heretofore in bonding county treasurers. It was his opinion that the new law permitting mutuals to write this class of business would not appreciably affect bond rates. He believed that these companies planned to confine themselves principally to the writing of fidelity business. The nonliquid state of many Virginia banks, notably those in smaller communities, was chiefly responsible for the fact that the depository bond business had been shot to pieces.

The meeting opened Monday morning with nearly 100 agents and guests present. Caleb D. West, prominent agent of Newport News, delivered the address of welcome. His brother Lieutenant-

Governor Junius E. West, of the West & Withers agency of Suffolk, who is now running for governor, was called on during the morning session for a talk and responded briefly, voicing deep interest in the deliberations of the convention.

New Members Added

Through the efforts of the membership committee headed by John D. Crowle, 47 new members were added to the rolls during the year. The report of Frank S. Blanton, secretary-treasurer, showed that the membership now totals 268. Hope that the membership can be brought up to 400 during the coming year was voiced by President Calvert R. Dey. He recommended in his report that a new committee to be called "special committee," be created to appear in matters before the state corporation commission which is to have authority in the future to fix and approve rates.

Chairman Edward E. Goodwyn of the legislative committee said in his report, "The older I get and the more experience I gain, the more I am sold on the policy of the three C's as advocated by the National association." He urged better coordination in legislative work declaring that "the members of the association are inclined to work independently rather than through their regularly appointed legislative committee."

Explains Rating Methods

While the mutuals gained admission to the rating bureau and permission to enter the surety business, Col. Goodwyn was pleased to report that they did not by any means get all that they asked for.

L. L. Hall, of New York, secretary of the rating department of the National Council on Compensation Insurance, addressed the convention, explaining how compensation rates are made. He said it is not generally realized that the cost of compensation insurance is coming down due to the fact that pay-rolls upon which rates are based are being reduced by improved machinery cutting down the number of employees in plants and increasing production at the same time.

Chauncey S. S. Miller, publicity director of the North British & Mercantile group, declared in an address on "Why Not Make the Mail Man Your Salesman?" that we are becoming a nation of fire worshippers and unless losses are curbed the fire companies will have to diversify their business to make any money out of it.

Officers Re-elected

Officers were reelected at the final session of the convention. They are: Calvert R. Dey, Norfolk, president; T. Garnett Tabb, Richmond, vice-president;

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"The writer looks forward each month for The Casualty Insurer and have enjoyed immensely some of the articles therein."

GIBSON, MOORE & SUTTON, Inc., Richmond, Va.

STATE OFFICIALS AT WEST BADEN SPRINGS

(CONTINUED FROM PAGE 3)

statements. The 14 members of the committee all subscribed to the report so it was adopted without discussion. There was no afternoon session. Commissioner Dumont of Nebraska sent a telegram stating he was kept at home by important business.

Invitations for the annual meeting were received from Omaha, St. Louis, Detroit, New Orleans, Buffalo and the Black Hills in South Dakota.

The executive committee voted to hold the annual meet at Rapid City, S. D., Sept. 18-20. Commissioner Don C. Lewis of that state extended the invitation. Rapid City is in the heart of the Black Hills. President Coolidge had his office there last summer. It is a region of great scenic beauty. One day will be given entirely to sight seeing. Commissioner Olness of North Dakota supported his colleague in seconding the invitation. In the final roundup only two other points were seriously pressed, Detroit and Omaha. Commissioner Livingston of Michigan extended the invitation for Detroit and Miles Scheaffer of the United Benefit of Omaha.

Subjects for the Meeting

The commissioners decided to have Commissioner Freedy of Wisconsin present a paper on "Unauthorized Insurance" at the Rapid City convention. C. R. Detrick of California will give an address on "Uniform Insurance Laws." Commissioner Livingston of Michigan will talk on "General Insurance Floater Policies." Superintendent J. A. Beha of New York will speak on "Marine Insurance." There are two other subjects, one "Life Insurance Acquisition Cost" which will likely be assigned to Commissioner J. R. Dumont of Nebraska and the other on "Convention Examinations" which will probably go to Commissioner Taggart of Pennsylvania.

At the close of the meeting Commissioner Dunham of Connecticut called a meeting of the committee on uniform license requirements. A study of the subject was given by J. E. McKinney of the agency department of the Aetna Life. He has given much thought to and made a comprehensive survey of the subject. It was agreed that Mr. Dunham, Commissioners Freedy of Wisconsin and Livingston of Michigan be constituted a subcommittee to draft a final report and make definite recommendations. They will meet for this purpose in Chicago in about two weeks to canvass the matter.

Some of the Onlookers

The American Life Convention was represented by President O. J. Arnold, Secretary Claris Adams, F. W. McAllister of the Kansas City Life, chairman of the Legal Section, and C. G. Taylor, former president. Mr. Taylor, who is assistant manager of the Life Presidents Association, came for that body. Secretary W. H. Bennett and D. J. O'Keeffe of Ft. Wayne, regional vice-president, represented the National Association of Insurance Agents. Massey Wilson, president of the Federal Reserve Life of Kansas City and the Agricultural Life of Bay City; W. W. Moore, vice-president Inter Southern Life, and J. J. Moriarity, vice-president Missouri State Life, seldom seen at commissioners' gathering, were at West Baden. Vice-President Le Mar Hill, Secretary Vincent Gallagher and Assistant Western Manager J. F. Donica of the American Fore companies were the only fire company officials on hand. Des Moines had as its delegation Attorney Thomas Watters, Vice-President

W. W. Chambreau of the Merchants Life and A. C. Savage of the Royal Union Life wearing a brand new red cravat.

Henry F. Tyrrell of the Northwestern Mutual Life, fully restored to health and looking as fit as a king, was the recipient of many good wishes.

Among the ex-commissioners here were James F. Ramey, Kentucky; Stacey W. Wade, North Carolina; A. C. Savage, Iowa; Miles Scheaffer, Indiana; J. A. Hartigan, Minnesota; J. V. Barry, Michigan; A. W. Briscoe, Alabama; C. W. Hobbs, Massachusetts; Clifford Ireland, Illinois; Walter K. Chorn, Missouri; T. S. McMurray, Indiana; J. S. Phillips, New York.

On the Early Arrival List

J. F. Donica of Chicago, assistant western manager of the America Fore companies, was the first man on the scene. Secretary W. H. Bennett of the National Association of Insurance Agents arrived Saturday. Commissioner Freedy of Wisconsin in company with Henry F. Tyrrell, legislative counsel of the Northwestern Mutual Life, and his assistant, Clarence Klocksins, were on hand Saturday evening. President W. H. Bruner of the Indiana Association of Insurance Agents, was on the golf links early Sunday morning. Col. Joseph Button of Virginia was delayed by a train wreck and did not sign the hotel register until Sunday noon. He finally drove from Mitchell over a bumpy road.

C. H. Burras and Geo. D. Webb of Chicago and W. G. Wilson of Cleveland represented the National Association of Casualty & Surety Agents. President H. E. Sharrer of the Northern States Life of Hammond, Ind., resplendent in a new crimson necktie, arrived Tuesday morning. Commissioner G. W. Wells of Minnesota and Director of Trade and Commerce H. U. Bailey of Illinois arrived the last morning. There were but few ladies at the meeting. Mrs. H. P. Dunham accompanied her husband from Hartford, Mrs. D. J. O'Keeffe did likewise from Fort Wayne, Mrs. Barrett Woodsmall from Indianapolis and Mrs. Harry Newton Lukins, wife of the well known Louisville attorney, were present.

WILL PUBLISH TEXT BOOK ON FARM FIRE PREVENTION

A forward step in the promotion of farm fire prevention is being taken by the textbook committee, made up of members of the National Fire Waste Council and the National Fire Protection Association, which has been empowered to prepare and publish a handbook, or source book, on rural fire prevention and fire protection for the use of schools and all others interested in this subject.

A two-day session of the committee was held in Chicago this week, at which a full outline of the book was decided on and the various divisions assigned for treatment. In the near future the committee will announce the editor selected for this publication.

Those in attendance at the meeting were: I. D. Goss, manager of the farm department of the American Fore group at Chicago; H. E. Rothe, associate engineer of the Department of Agriculture, Washington, D. C.; George F. Lewis, deputy fire marshal of Ontario, Toronto; James Slocum, publisher of "Farm Fire Prevention," Detroit; Wallace Rogers, Gale & Pietsch, advertising specialists, Chicago; C. R. Welborn, superintendent of label service, Underwriters Laboratories, Chicago; Richard E. Vernor, manager of the fire prevention department of the Western Actuarial Bureau.



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STATEMENT 1892 UNITED STATES BRANCH London Guarantee & Accident Co., Ltd.

ASSETS		LIABILITIES	
United States Bonds	\$230,000.00	Unearned Premiums	\$901.01
Cash in Bank	144.00		
Premiums in Course of Collection	1,658.02		
Aggregate Amount of all Actual Available Assets 231,802.02		Aggregate Liabilities 901.01	
Net Cash Received for Premiums		\$144.00	

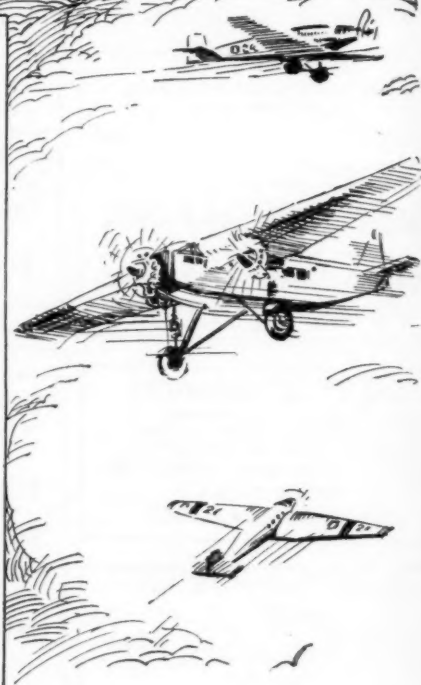
STATEMENT 1927 UNITED STATES BRANCH London Guarantee and Accident Company, L't'd.

Assets		Liabilities	
Government, State, County, Municipal, Railroad, Public Utility and Miscellaneous Bonds	\$14,165,695.90	Claim Reserve:	
First Mortgages on Real Estate	9,500.00	Compensation and Liability	
Cash on Hand and in Bank	609,550.30	Departments (As required by Insurance Department of New York)	\$ 7,349,881.21
Interest Due and Accrued	204,783.45	Credit Insurance Department	366,081.00
Premiums Not Over Three Months Due in Course of Collection	1,918,529.48	All Other Departments	777,681.00
All Other Assets	172,829.99	Reserve for Unearned Premiums	3,837,755.09
		Reserve for Taxes	320,500.00
		Reserve for Commissions and All Other Liabilities	674,821.25
			<hr/>
		Deposit Capital	\$ 750,000.00
		Surplus Over All Liabilities	3,004,169.57
		Surplus as Regards Policyholders	3,754,169.57
			<hr/>
	\$17,080,889.12		\$17,080,889.12

DEPOSITED WITH INSURANCE DEPARTMENTS AND UNITED STATES TRUSTEE \$13,259,437.65

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The National Underwriter

June 7, 1928

CASUALTY AND SURETY SECTION

Page Thirty-five

NINE STATES APPROVE RATE REVISION PLANS

Proposals of National Council on
Workmen's Compensation
Given Official O. K.

OTHERS INDORSE IN PART

Approval Given Certain Features and
Reserved as to Remainder in 11
Commonwealths

NEW YORK, June 6.—Full approval of the rate revision program of the National Council on Compensation Insurance, to become effective July 1, has been given by the responsible commissions of Connecticut, Illinois, Indiana, Iowa, Louisiana, Michigan, Nebraska, Rhode Island, and South Dakota. Other states that have given endorsement to certain of the council's propositions, while dissenting from others or suspending judgment on them until they can be given further consideration, are Alabama, Georgia, Maine, Maryland, Minnesota, Missouri, New Jersey, Tennessee, Utah, Vermont and Wisconsin. Commonwealths that have not yet announced decision on any of the proposals include Arizona, California, Colorado, Kansas, Kentucky, Massachusetts, Oklahoma and (on experience rating plan) Texas and Virginia.

Expense Constant Proposal

The expense constant and offsetting rate reduction proposal of the council, which has been sanctioned by Alaska, Connecticut, Idaho, Illinois, Indiana, Iowa, Louisiana, Michigan, Montana, Nebraska, New Mexico, Rhode Island, South Dakota, Vermont and Wisconsin, amends article A of the Standard policy and reads:

"If the premium as determined in accordance with the provisions of the policy is less than \$300, there shall be added thereto an expense constant of \$10, unless such addition shall increase the premium to an amount in excess of \$300, in which event only such part of the expense constant shall be added as will bring the amount of the premium up to \$300. Inclusion of the expense constant or any part thereof in the estimated advance premium is subject to final adjustment upon audit, all in accordance with the provisions hereof. The minimum premium of the policy includes the expense constant."

New Rule on Executives

The revised executive rule, adopted by Alaska, Alabama, Connecticut, Georgia, Idaho, Illinois, Indiana, Iowa, Louisiana, Maine, Michigan, Missouri, Montana, Nebraska, New Jersey, New Hampshire, New Mexico, Rhode Island, South Dakota, Tennessee and Vermont, reads: "If this employer is a corporation the entire remuneration of the president, any vice-president, secretary or treasurer shall be disclosed

SOUTHERN SURETY OF NEW YORK ORGANIZING TO ABSORB IOWA COMPANY

Hillsman Taylor, President of Missouri
State Life, Is on List of In-
corporators

The Southern Surety of New York is being incorporated under the New York law. The new company, when organization is complete, will take over the business, assets and agency plant of the Southern Surety of Des Moines. Incorporators of the Southern Surety of New York include Rogers Caldwell, Hillsman Taylor, Charles S. Cobb, Frank A. Ungles, J. DeWitt Carter, James E. Caldwell, Charles S. Sargent, R. R. Williams, Jr., Allen McCulloh, Campbell Locke, Herbert S. Ogden, James D. Ewing and Robert E. McCormick. Mr. Cobb is president and Mr. Ungles is vice-president of the Southern Surety of Iowa.

Financial Statement

Hillsman Taylor, one of the incorporators of the Southern Surety of New York, is president of the Missouri State Life. It is reported that the two companies will work in close cooperation. Rogers Caldwell is head of the investment firm that controls both companies.

The Southern Surety of Iowa was organized in 1918. On Jan. 1, 1928, it showed capital of \$1,200,000, surplus over all liabilities of \$1,409,038 and total assets of \$8,857,802.

MICHIGAN ACTS AGAINST UNLICENSED CARRIERS

LANSING, MICH., June 6.—Officials of the Michigan department have taken up the cudgels again against unlicensed carriers that persist in entering Michigan through the mails.

A couple of related Des Moines carriers, the Union Mutual Life and the Union Mutual Casualty, are the particular target of a current investigation having as its object, if the situation proves serious enough, the barring of the mails to these companies. The matter has already been tentatively placed before the postal authorities on the basis of some complaints now in the hands of the department but the department executives have been informed that they must establish actual fraud before action can be taken.

and made subject to a premium charge at the rate applicable to the hazard to which each such officer is exposed, which rate shall be applied to the actual remuneration of each such officer, but not in excess of \$100 per week. If any such officer is exposed to varying hazards, premium shall be charged on the basis of the highest rate for any hazard to which he is exposed."

Other phases of its new program submitted for the consideration of state officials by the National Council are the revised minimum premium formula, special minimum premiums, and the revised experience rating plan.

HANSEN LAUNCHES NEW REINSURANCE COMPANY IS LOCATED IN LOS ANGELES

International Reinsurance Corporation
Has \$1,000,000 Paid-in Capital
and \$2,000,000 Surplus

With a paid-in capital of \$1,000,000 and a surplus of \$2,000,000, organization of the International Reinsurance Corporation of Los Angeles, of which Carl M. Hansen is president, has been completed. Its shareholders include interests allied with the Pacific Mutual Life and Pacific Indemnity on the west coast, as well as bankers and underwriters of the east.

Mr. Hansen is a widely known figure in casualty insurance circles, having been a leading official of the General Reinsurance of New York City before going to California some months ago. He states that the International has been pledged nearly \$4,000,000 in premiums on desirable casualty and surety reinsurance.

Other officers of the corporation are O. Rey Rule, first vice-president; J. Philip Bird, second vice-president; E. A. Wildman, third vice-president, and J. V. H. Challiss, secretary-treasurer.

WANT PATRONS PROTECTED

St. Louis Is Considering Method for
Regulating Taxicabs in Providing
Sufficient Indemnity

ST. LOUIS, June 6.—The legislation committee of the St. Louis board of aldermen has taken under advisement a bill regulating service cars and taxicabs which would require all such public conveyances to protect patrons fully through liability insurance or adequate bonds.

At a public hearing held on the measure last week a number of service car drivers and owners opposed the provisions in the measure that require insurance or bonds for protection of fares injured in accidents while riding in the service cars or taxicabs.

The general view of the service car men was that the present liability insurance rates for service cars are so high as to be virtually prohibitive. However, all admitted when questioned by the aldermen that service car owners should have some financial responsibility before being permitted to use the streets as public carriers.

Alderman Waldman, who introduced one of the bills under consideration, stated that it was unfair for any interests to use the streets unless they are able to compensate persons they injured through their own negligence. He stated that this requirement for liability insurance shall also apply to owners and operators of private automobiles. He also stated that he had written to 25 large insurance companies and found their rates for service cars prohibitive. He suggested that the car owners furnish bonds. This idea, however, met with general opposition from the car owners.

SETTLEMENT LOOKED FOR ON SURETY COSTS

Chicago Question to Be Discussed
Today Between Local and
Company Men

MAY APPOINT ARBITRATOR

Clearing Up of Present Situation, With
No Future Exceptions, Is
Plan Anticipated

Settlement of the acquisition cost question in Chicago is anticipated as a result of the meeting to be held Thursday between the sub-committee of the national agency committee and the acquisition costs committee of the Chicago Surety Association. The Chicago men appear to be favorable to the appointment of an arbitrator to clear up the present situation on general agencies and exceptions, and then strict adherence to the Chicago rule, without future exceptions.

A meeting of the Chicago association was held Tuesday and adjourned subject to call on Thursday or Friday to discuss the solution arrived at in the conference Thursday morning of the two committees.

May Have an Arbitrator

The expectation appears to be that the arbitrator will go over the present general agency arrangement, company by company, and give his decision on those that may be continued. Those that are continued in excess of the number allowed by the rules and any exceptions allowed will be individual and personal. In other words, if an exception is allowed to stand, and the general agency is hereafter discontinued for any cause, it will not be replaced. Former Superintendent Stoddard is the arbitrator in New York City, where the plan has worked well.

An important point in the minds of the Chicago men is the abolition of the intermediate or 25 percent class. The Chicago rules were amended last fall to reduce the classes to 30 percent for general agents and 20 percent for brokers. The arbitrator will have to pass on the continuance of a few 25 percent arrangements, but like the excess general agencies, these are not to be replaced when terminated for any cause.

Committee Has Full Power

The special committee of the national agency committee will arrive in Chicago with full authority and power to put into execution the settlement agreed upon. The conference on Acquisition and Field Supervision Costs for Fidelity and Surety Business adopted a resolution giving explicit authority to the national agency committee to amend the national acquisition cost rules to fit the local situation in Chicago. The power of the national agency committee

(CONTINUED ON PAGE 48)

J. C. BRADLEY PRESIDENT OF CASUALTY CLUB

ANNUAL ELECTION IS HELD

Ralph Miller Is First Vice-President
and L. W. Burger Is Second
Vice-President

Members of the Casualty Field Club of Illinois elected J. C. Bradley of the United States head office of the Zurich president for the new year at a meeting in Chicago on Monday of this week. Other officers and committees as follow were elected:

First vice-president, Ralph Miller, London Guarantee & Accident; second vice-president, L. W. Burger, burglary and plate glass manager of the United States Fidelity & Guaranty; secretary-treasurer, W. J. Patterson, Ocean Accident. Executive committee: E. E. Sanderson, Fidelity & Casualty; O. E. Wagoner, Aetna Life; J. G. Fenn, Standard Accident; C. H. Smith, Marsh & McLennan; J. E. Murphy, Royal Indemnity. The officers also are members of the executive committee.

Read Heads Entertainment Committee

The following entertainment committee members were elected: Freeman C. Read, Globe Indemnity, retiring president, chairman; George H. Gehrke, Century Indemnity; A. L. Kirkpatrick, Continental Casualty. The following were elected as a publicity committee: John C. Leissler, "Chicago Journal of Commerce"; A. Barr, THE NATIONAL UNDERWRITER and "The Casualty Insurer"; E. M. Ackerman, "Insurance Field."

F. P. Creden, Massachusetts Bonding; W. A. Anderson, American Employers, and C. B. Kingman, Eagle Indemnity, were elected to constitute a membership committee.

Retiring officers of the club made very brief addresses. Freeman Read, retiring president, asked for his successor the same degree of cooperation that the club gave him during the year, and gave to the club membership all credit for the success of the organization the past year. In stressing the value of cooperation Mr. Read said, "The casualty sales congress showed what cooperation can do."

Bradley Lauds Read

In his address Mr. Bradley, new president, said: "The man I am succeeding has set a high mark for his successor to shoot at. The club is on the eve of developments that shall be of importance to the members and to the companies they represent." Mr. Bradley made a strong plea for greater effort in obtaining members and announced that the member who adds the greatest number of names to the club roster this year will be awarded a prize for his efforts.

O. E. Wagoner of the Aetna, a past president of the club, paid personal tribute to Mr. Read and then called for a rising vote of thanks as a token of the club's regard for Mr. Read's work the past year, the most active year in the organization's history.

The president introduced a letter from the Casualty & Surety Field Club of Michigan requesting information on the plan, scope and cost of the Illinois club's sales congress and announcing a similar sales congress to be held in Detroit in the fall under the auspices of the Michigan organization.

Booth With American Automobile

Leonard H. Booth has been appointed San Francisco manager for the American Automobile, succeeding Frank Taylor, who resigned to enter the brokerage business in Los Angeles. Mr. Booth was formerly manager of the Norwich Union Indemnity.

OFFICIALS WORRY, THOUGH BANK FAILURES DECREASE

SEE MARKED IMPROVEMENT

First Quarter Totals 167 as Compared
With 289 Reported for
1927 Period

NEW YORK, June 6.—Although there has been a diminution in the number of bank failures in recent months, surety officials are still critical in their acceptance of depository bonds. In the first three months of the present year bank failures which were mainly in the west and the south, totaled 167, as against 289 reported for the same period of 1927 and 168 for the first quarter of 1926. Not only were the failures in the first three months of 1927 more numerous than those recorded in 1928, but they aggregated a larger amount.

Iowa had the unenviable distinction of reporting a larger number of failures than that of any other state during the past year, its record being 70. Minnesota was a close second with 65, while Missouri came third with 48. Returns from other states were: Kansas, 36; North Dakota, 37; Illinois, 29; Indiana, 25; Nebraska, 25; South Dakota, 27; Texas, 38; Oklahoma, 28; Tennessee, 17; Georgia, 18; Florida, 31; South Carolina, 21, and Ohio 16.

Fewer Reserve Banks Fail

Of the 662 financial institutions of the country that failed in 1927, 95 reopened. It is interesting to note that of the collapsed institutions, 124 were operating under the Federal Reserve system, while 538 were nonsubscribers thereto. Of the failures reported in the first quarter of this year, the nonmember banks numbered 138 and the member institutions 28.

Salvaging failed institutions by surety companies through the process of recovery is oftentimes a hard task. The idea of state bank deposit guaranties, once popular throughout the northwest and the southwest, has been virtually abandoned, the experience having been disastrous.

Announce Insurance Counsel Meeting

The International Association of Insurance Counsel will hold its annual meeting Sept. 13 at Old Point Comfort, Va. This association is composed of attorneys who represent insurance companies throughout the United States and Canada. The program is now being arranged by the president, Edwin A. Jones, and some interesting papers will be read by well-known lawyers on recent court decisions relating to insurance. The speakers and their subjects will be announced later.

The officers of the association are: President, Edwin A. Jones, general counsel Fidelity & Casualty; vice-president, G. W. Denmead, general counsel of the New Amsterdam Casualty; secretary, John A. Millener, Columbus, O.

Joins Hudson Casualty

William C. Krumrey has been appointed supervisor of the underwriting department of the Hudson Casualty of Jersey City. Vice-president and General Manager M. A. Krebs has announced. Mr. Krumrey was in charge of underwriting of the New York City branch office of the London Guarantee & Accident for a number of years, subsequently being associated with the local branch of the Metropolitan Casualty. More recently he was identified with the Aetna Life and the Zurich at their metropolitan offices. In all, he has had 30 years' experience in casualty underwriting and is widely known to the brokerage fraternity of New York City. He should prove a valuable accession to the staff of the Hudson Casualty.

APPROVE ARBITRATION OF AUTOMOBILE CLAIMS

RELIEVES COURT CONGESTION

United States Casualty and Metropolitan Casualty Sanction Plan for
Settling Damages

NEW YORK, June 6.—The United States Casualty as well as the Metropolitan Casualty has approved the plan of dealing with automobile damage claims proposed by the American Arbitration Association and has already submitted to the latter body a number of typical cases. The schedule of arbitration fees now in operation is: "\$10 for each party where the amount of the claim is under \$2,000; \$20 for each party where the claim is between \$2,000 and \$5,000, and \$25 for each party where the claim is above \$5,000. No part of the fee is paid to arbitrators but is intended to cover the cost of hearings, rooms, services, supervision and such other expenses as arise in the conduct of a case. The arbitration committee may, in its discretion, remit these fees or any part thereof or may assess them against either party alone."

Relieves Court Calendars

This experiment at claim handling is an endeavor on the part of business organizations to relieve court calendars of the congestion due to automobile accidents and to bring speedy relief to injured persons or to those suffering loss. Application of the plan promises a five-fold benefit.

"It benefits the community because it tends to relieve the burden of the courts and to restore good relations between the users of automobiles and the injured persons.

"It benefits the deserving claimant because it obviates the law's delays and insures prompt, impartial and just awards.

Saves Much Time

"It benefits the assured, not only because the atmosphere of the arbitration table is less acrimonious than that of the trial court, but also because it promises to save him many weary hours, sometimes days, spent attending the disposition of a congested calendar.

"It benefits the insurance companies and their agents because it tends to create good will and enables them to offer insurance largely free from technicalities and vexatious litigation.

"It benefits members of the bar who are representing claimants, for it enables them to dispose promptly of claims without the high costs and overhead which they must maintain to carry cases through congested calendars."

NEW HAMPSHIRE BRIEFS ON AUTOMOBILE RATES

Briefs will be filed this week in the New Hampshire Supreme Court in which the casualty companies are attacking the right of Insurance Commissioner Sullivan to prohibit them from increasing automobile liability rates. When the department took action the companies secured an injunction. They are now collecting the new rates but the case will come up on its merits.

Commissioner Sullivan declares he is not attacking the rates but he contends under the laws of his state insurance companies are prohibited from combining to agree on rates.

Form Crown Indemnity on Coast

W. L. Archibald, formerly with the Aetna Casualty, is organizing a company at San Francisco to be known as the Crown Indemnity, with a capital of \$1,000,000. The work of organization started several months ago under the name of Great Western Indemnity.

OFFICERS' CONVENTION OF TRAVELERS SCHEDULED

MEETING DATE IS JUNE 27-29

Agents from Most States of Union and
from Canada Are to Participate in Rally

When the officers' convention of the Travelers agents' clubs convenes at the Hotel Griswold, Eastern Point, near New London, Conn., June 27-29, 314 leading producers of the Travelers, including the members of the President's Club, will be assembled for the largest officers' convention the Travelers has ever held.

The agents in attendance will be those who elected themselves officers by the character of their production, and who led the thousands of Travelers producers in this country and Canada in writing various forms of insurance in 1927.

President's Club Numbers 58

Fifty-eight of the number will constitute the membership of the President's Club. These are the agents who qualified for club membership in five different lines of insurance. The Life Club leads with the most members and the Automobile Club is next in size.

The agents will represent almost every state and several provinces in Canada, and 163 cities in the two countries. Some of them are scheduled for addresses at the business sessions, which will be held each of the three days of the convention.

Presidents of the various clubs are: Conrad C. Klee, Binghamton, N. Y., President's Club; W. G. T. Shedd, New York City, Life Club; J. Watson Beach, Hartford, Automobile Club; William B. Watkins, Cleveland, O., Accident Club; Carlos E. Hull, Montreal, Burglary Club; Jess M. Johnston, Fort Worth, Tex., Group Club.

WARNS AGAINST INVESTMENT IN NEW CASUALTY CONCERNS

NEW YORK, June 6.—Asserting that the underwriting profit of a hundred casualty and surety writing companies of the country during a recent decade was less than 4 percent, W. B. Joyce, chairman of the National Surety and of the New York Indemnity, has warned those inclined to invest in the stock of new enterprises of such character now being formed with great freedom, to exercise the utmost caution before deciding to part with their money. Not a few of the established organizations, Mr. Joyce added, encountered a distinct underwriting loss, amounting in the case of one particular company to 49 percent. In the light of this condition he asks what new institutions might expect, subjected as they will be to the temptation to embark in new and untried fields. Sixty-two companies are now authorized by the treasury department to issue bonds on government obligations, while the total number of casualty and surety organizations licensed in the different states number close to 100, their aggregate capital being approximately \$250,000,000.

Minnesota Safety Council

Insurance men are represented on the Minnesota Safety Council, just organized by leaders in business and civic affairs in that state. C. H. Van Campen of Minneapolis, representing fire insurance; E. W. Randall, president of the Minnesota Mutual Life, St. Paul, representing life insurance, and C. F. Ott, Employers Mutual Liability, St. Paul, are among the directors of the council.

The purpose of the organization is to promote safety in homes, industries and in public places.

CASUALTY PROMOTIONS NUMEROUS OF LATE

Number of New Companies Have
Been Organized in Recent
Months

EARNINGS ATTRACTIVE

Investors Are Attracted to Insurance
Stocks Because of the Record of
Older Institutions

NEW YORK, June 6.—Company officials have been very much interested in the number of new casualty and surety companies projected during the last few months. There is in the air a feeling of certainty about the insurance business that is attracting investors. They feel that even if the underwriting departments may be hard pressed at times to make both ends meet, the banking end of companies is profitable and stable. The dividends paid by some of the successful companies have attracted attention. Insurance stocks have mounted upward rapidly until the average man finds that buying a stock at the market price, the yield is very small. Money seems to be plentiful. The investment brokers have created a strong sentiment for insurance stocks. Premium incomes have mounted. More and more the public is being drawn to insurance stocks. Inasmuch as there is little opportunity for getting shares of the old companies on a reasonable basis, there is a demand for shares of new companies.

Tabulation of New Companies

According to a tabulation prepared by A. M. Best & Co., of New York, the following casualty and surety companies have entered the field within recent months:

American Mine Owners Casualty, Huntingdon, Pa.; Calumet Casualty, Chicago; Contractors Casualty of St. Louis; Dixie Life & Accident, Nashville; Fidelity American, Houston; Fraternal Protective, Boston; Glens Falls Ind.; Guaranty & Indemnity, Wilmington, Del.; Guardian Casualty, Buffalo; General Surety, New York; Massachusetts Casualty, Boston; Merchants Indemnity, New York; Northeastern Surety, New York; Occidental Indemnity, San Francisco; Preferred Automobile, Grand Rapids (reincorporated on a stock basis); Progressive Life, Health & Accident, Philadelphia (previously operated on the assessment plan); Republic Casualty & Surety, Chicago; Seaboard Surety, New York; Seaboard Surety, Los Angeles; Transportation Indemnity, New York; Virginia Surety, Roanoke; Universal Indemnity of Newark.

Some Companies Quit

The corporations that have retired, in addition to the Atlantic Surety of Raleigh, were the Commonwealth Accident, Little Rock, Ark.; Florida Life & Accident, Miami; Lincoln Casualty, Springfield, Ill.; Manufacturers Liability, Jersey City, and the Oregon Surety & Casualty of Portland.

A number of proposed corporations are talked of both for this city and Newark, N. J., and undoubtedly several will get under way. At a recent gathering of underwriters, Superintendent Beha of the New York department stated that inquiry had been made of him as to the prospects for a \$10,000,000 enterprise that interests of this city planned forming.

So long as money for investment con-

AUTOMOBILE UNDERWRITER COMMENTS ON EFFECT OF REDUCTION IN RATES

AN automobile underwriter for a casualty company in speaking of automobile liability rates calls attention to the different plans suggested whereby rates may be reduced and more people thereby insured. The underwriter calls attention to the fallacy of this argument and says:

"There is apparently no limit either to the number of schemes for reducing the level of automobile liability rates or to the ingenuity of the arguments which are advanced in defense of these schemes. The most common defense for rate reduction proposals is based on the theory that high rates produce an adverse selection of business and that lower rates will result in a more favorable selection. It is argued that as a result of this improved selection, the companies would make money at the lower rates where they have been losing money at higher rates.

Seek for Rate Reduction

"For some time past there have been proposals of this character made and they have not been easily downed. There are those who would put in effect a blanket rate reduction in the hope that the improved selection and greater profit would result. Others, more ingenious, suggest a plan of 'merit rating' to reward individuals 'careful drivers.' Recently one agency advertised a plan of graded reductions in rate for successive years of driving without any accident. The appealing slogan was 'Better Rates for Better Drivers.'

Conservative Men Oppose Plan

"The more conservative underwriters have opposed both plans of rate reduction, and give several reasons for their positions. In the first place, they argue, there is no tangible evidence to show that a better selection and greater profit would result. Secondly, they insist that careful reasoning does not disclose any great probability that the result would be as claimed.

"It is suggested that the best automobile liability risks are already insured, that the man who is inherently careful is the man who is not only a careful driver but who has also been careful to

protect himself by purchasing automobile liability insurance. A decreased rate will only give the companies less premium on drivers of this class who are already insured, without producing any great amount of new insurance on the best class of risks. On the contrary the reduction would probably succeed in bringing a less favorable class of business.

Experience With Collision Rates

"The fire companies have had at least two experiences with this sort of rate cutting. The well known cut in collision rates on the Pacific coast was made in the hope of attracting more favorable business, but instead it has produced only disastrous losses. A big cut was also made in fire and theft rates in Detroit several years ago on the same theory and again with disastrous results. Not only were the rates later boosted to their original level but have since had to be raised even higher.

"Any plan of individual 'merit rating' is only a modified form of rate reduction unless the general average of rates is first increased to offset the credits which are to be given. In other words, if some cars are to be written at reduced rates, then some others must pay higher rates or else the total loss ratio will be increased.

Not Entitled to Credit Rating

"Again, it is argued by some underwriters, there is no justification in the whole theory of insurance rate making for allowing a credit to a single car owner because of the absence of claims. Statisticians say that a company can expect a liability claim on only about one car in ten or in other words the average car owner can expect to have a liability claim only once in ten years. If this is correct, then it is plainly absurd to argue that because an owner has been insured for one year without having a personal injury claim, that he is any better than the average driver. Even after being insured for 10 years he has only proved himself to be average and is not even then entitled to any rate credit on 'merit' according to the fundamental theory of insurance rate making."

SMILEY APPOINTED GLOBE INDEMNITY PUBLICITY HEAD

A. Duncan Reid, president of the Globe Indemnity, has announced the appointment of Ralph W. Smiley as director of publicity to assume charge of advertising and publicity at the home office in Newark, N. J., succeeding Arthur Neugebauer, resigned.

For the past two years Mr. Smiley has been associated with the Metropolitan Casualty as publicity director. For eight years prior to that he was at the home office of the Aetna Life, most of the time as agency assistant to Vice-president W. L. Mooney in the casualty agency department.

Before entering the insurance field Mr. Smiley was with the Regal Shoe Company of Boston as sales promotion manager. He was also for several years on the staff of the Alexander Hamilton Institute of New York City.

Mr. Smiley was chosen to serve as chairman of the casualty group sessions of the Insurance Advertising Conference to be held in Washington, D. C., next October.

tinues as free as it is at the present time, and in the absence of a setback on the stock exchange or an upheaval in underwriting circles, there is little doubt that new insurance companies will be formed, the present year promising to furnish a record in such connection.

RESULTS OF "SAVE A LIFE" CAMPAIGN IN PENNSYLVANIA

Statistics amazing in their size and far-reaching in their import were quoted by John J. Hall, director of the 1928 "Save a Life Campaign" in Pennsylvania, who spoke to the Insurance Federation at its meeting at New Castle last week. In the campaign 1,127,280 automobiles were examined, according to Mr. Hall, of which 214,183 had the brakes adjusted, 64,637 had the brakes lined and 33,118 had headlights replaced. After listing these and other figures, Mr. Hall said that while the average death rate for automobiles in Pennsylvania had been 153, in April when the campaign was put on the rate dropped to 65.

Add to Northwestern C. & S. Surplus

The surplus of the Northwestern Casualty & Surety was increased to \$500,000 and a voluntary contingent fund of \$250,000 was set up at the quarterly meeting held at Milwaukee last week. Henry M. Marshall, vice-president of the Union Indemnity, New Orleans, attended the meeting.

McKinney in Pacific Northwest

SAN FRANCISCO, June 6.—J. R. McKinney, recently appointed Pacific Coast manager of the Massachusetts Bonding succeeding Fred B. Potwin, left June 4 for an agency trip to the Pacific Northwest, accompanied by Mr. Potwin.

HARLAN SPEAKS ON SURETY AND BONDING

Fidelity & Deposit Representative
Addresses Insurance Federation
Meet at New Castle

COVERS ENTIRE SUBJECT

Tells How Local Agents May Find
Prospects and Develop Good
Lines of Business

At the meeting of the Pennsylvania Insurance Federation held at New Castle, James A. Harlan, Pittsburgh manager of the Fidelity & Deposit, spoke on "Profits Some May Have Overlooked from Surety and Bonding," saying in part:

"Many agents have not tried to inform themselves about some of the lines of surety and bonding. Casualty and surety lines are not difficult. They only seem so because there are so many of them. Agents are timid about selling a line that they do not understand thoroughly and their lack of knowledge of surety and fidelity bonds keeps more agents from doubling their incomes than anything else. They have the confidence of their customers on the lines they understand and they are so afraid of the complexity of fidelity and surety bonds that they pass the business up. The agent who wants to inform himself about the bonding business can do so with as little effort as he has learned the fire and other lines.

"You are presumed to be insurance experts and your customers depend on you to point out to them their insurance needs. When you secure an order for a bond or a policy do you suggest to him the additional form of coverage which you know the assured should carry, then make it your duty to see that he does carry it? If you can sell him the idea that you are the insurance expert to handle his business, he will let you check over his policies to see that he has sufficient limits, proper forms and the proper rates, and if he has received the proper discounts that entitle him to the most coverage for the minimum premium.

One Leads to Many

"Almost any bond application will give to you several leads to additional insurance. 'Will the sub-contractors be bonded?' is one of the questions asked in a contract application. Ordinarily they should be bonded. There is an opportunity for you to persuade your contractor to bond his subs and to tell them to buy their bonds from you. Whether he carries fire insurance, compensation insurance, employer's liability and contingent liability is another question. Are his responsible employees bonded is another line of premiums which should occur to you. The timekeeper on a large job should be bonded to prevent him from padding the payroll. If the contractor pays by cash, he should have inside and messenger holdup to reimburse him in case of a robbery inside his office or of the messenger on the streets.

"Has the contractor made arrangements with a bank for a loan?" is another question in the application. Verifying the financial statement of the contractor gives you an opportunity to form a closer acquaintance with the officers of the bank. Such contacts are valuable and such acquaintanceships oftentimes result in nice lines of insurance being sent to you from banker friends.

"Court bonds usually follow any controversy or dispute over labor and material bills. You can advise your con-

tractor you are in a position to execute them promptly.

"An application for fidelity bond lists the real estate and its value owned by the applicant and his parents. It also lists the amount of his life insurance, gives you the amount of his income and the number of persons dependent upon him. If in your judgment his insurance coverage is not adequate, here is an opportunity to sell him more.

"Banks are good leads to many kinds of bonds and the cultivation of friendship of the officers of the bank is one of your opportunities in laying the ground for additional profits.

"Lost certified checks or certificates of stock universally require an indemnity bond to be filed. The banker is usually the first man with whom the principal discusses the required bond. The premium on this bond is 2 percent for the life of the bond, which the company carries on its books for a period of seven years. The loss of a stock certificate is generally advertised in the newspapers. Reading such an advertisement, it should immediately occur to you that the owner will require this lost certificate bond and a personal solicitation of the business may bring you the premium.

Newspapers Prospect Sources

"Death notices of prominent and wealthy residents in your vicinity which you read in your newspaper can be made an opportunity to discuss insurance matters with other members of the family. If you carry his fire policies it is important they be immediately endorsed to the administrator or the executor of his estate. Discussion of this subject gives you the opportunity to learn by discreet inquiry from members of the family the name of his attorney, who will probably know whether a bond is to be required in the estate.

"Forms of bonds and policies change as well as rates and you should see that your assured has the latest form of coverage at the cheapest manual rates to prevent some competitor from taking

the business away. The renewal date of a policy is the opportune time to discuss increased coverage.

"Bankers' blanket bonds are the most advanced coverage for banks and investment houses. Many of the small banks which formerly considered the premium for blanket bonds prohibitive are now buying this form of coverage.

Bond Deputies Also

"Under the head of public official, when you submit an application for the treasurer of a school district or a municipality, the company usually insists that the deputy shall be bonded and that the bank depository shall be bonded. Some agents lose the treasurer's bond because they are not themselves sold upon the advisability of the treasurer meeting the surety company requirements and allow the principal to persuade himself that he is justified in taking a chance with personal surety on his bond and with perhaps no surety for his deputies and his depository. It is your duty to point out to him the foolhardiness of such procedure.

"Mortgagee or lender's bond is a form of bond which has in recent years been coming steadily to the front as an income producer. This bond is required by a bank, bond house or any lender that agrees to help finance the cost of a building by advancing money for payments of the labor and material bills as the building progresses.

"Prospects for these bonds are banks, bond houses, building and loan associations, owners of undeveloped real estate intending to build, lessees of real estate where the lease requires construction within a specified time, and real estate operators and promoters.

Building Field Rich

"Contract bond for private building is another field that is worth cultivation and the form is one which is more frequently being required. You should be sold on the wisdom of bonding private

Hartford Accident Seal Has Interesting History

SOME interesting history has been unearthed regarding the Hartford Accident & Indemnity official seal by A. W. Spaulding, advertising manager of the company. At its founding the



In England, near Hartford, there once existed a huge forest. In it harts abounded along with many other wild creatures which the natives hunted. One hunter was stalking a mighty stag and when he shot his dart, to his amazement, the dart poised between the stag's antlers and became luminous. Stricken with awe he abandoned the chase. The priest to whom he related the incident explained it by pointing out that it was "Good Friday," the anniversary of the death of Jesus Christ, on which day it was wicked to hunt. The heathen

hunter became a Christian, lived a good life and in due time died and was canonized as a saint and the stag or hart with a cross between its antlers became his emblem. This stag later was adopted by the borough of Hartford for its corporate seal.

Rivers Flow Together

A short distance from the center of the town two fairly large rivers join and flow through the town. At one place the river is shallow and it is used as a ford. Consequently it is quite correct to represent the hart as crossing the river, or standing in it at the ford, thus giving the name Hartford.

The herbage in the background indicates the fertility of the soil. The castle is attributed by many to the Saxon King Ethelred who preceded Alfred the Great.

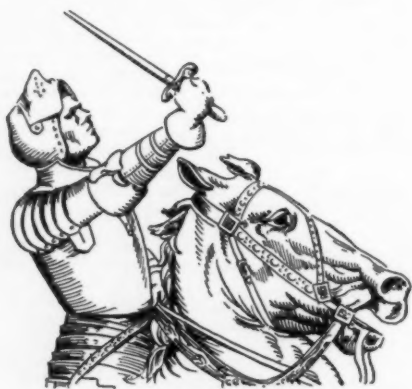
Wheeler to Direct Publicity

Van Zandt Wheeler has been appointed director of publicity for the Metropolitan Casualty. Mr. Wheeler began his insurance career some years ago with the National Surety, after experience in newspaper work and as a writer of special articles. Mr. Wheeler was later made manager of the forgery department of the Fidelity & Casualty. He is the author of "Forgery Insurance Simplified."

Richmond General Agency Changes

RICHMOND, VA., June 6—Paul L. Ruehrmund has resigned as general agent at Richmond for the Federal Mutual Casualty and has made a similar connection with the Metropolitan Casualty. H. L. Ford, formerly district agent at Roanoke for the Federal Mutual, has been transferred to Richmond to succeed Mr. Ruehrmund. The Federal Mutual was recently taken over by the Lumbermen's Mutual Casualty and will hereafter be operated as a subsidiary of that company. Mr. Ruehrmund was formerly a clerk in the Virginia bureau of insurance, branching out into business for himself about eight years ago.

A BOOK ABOUT OURSELVES



Leadership Earned

Leadership is usually not easily won. Many years of specialization in writing personal Accident and Health Insurance has had a very definite result.

WRITTEN FOR YOU

It is not by chance that agents of the Continental Companies lead in personal Accident and Health insurance volume in many cities and communities. The character of the contracts they offer and a well-devised selling plan is responsible.

Perhaps you are not getting the profit you should from the sale of this line. If you write the Agency Department, complete details of the Continental Plan will be sent to you at once.

CONTINENTAL CASUALTY COMPANY CONTINENTAL ASSURANCE COMPANY

H. G. B. ALEXANDER, President
910 South Michigan Avenue
CHICAGO, ILLINOIS

The Affiliated Continental Companies write practically all forms of Insurance and Surety Bonds

SEVEN 7 POINT FULL COVERAGE AUTOMOBILE POLICY


*If You are interested
in Advantages for
Yourself - Consider*

**WHAT THE REPUBLIC
HAS TO OFFER—**

1. A chance for agents to share profits with the Company.
2. A handy combined Automobile Insurance Policy, broad in coverage, and 100% secure.
3. A fair and square deal for agents.
4. Service from Chicago without delay, always.
5. Prompt payment of claims.

**REPUBLIC****CASUALTY and SURETY COMPANY****35 East Wacker Drive****CHICAGO****A U T O M O B I L E I N S U R A N C E**

on the spot



**with
PLATE GLASS
REPLACEMENTS**

"You're on the job all right"!

When your clients tell you this you have a right to be happy. For satisfied policyholders are your best advertisers and customers.



It costs no more to have an American Glass Company replacement and satisfaction is assured when you do—

We are leaders in the Chicago field because we are equipped to render on the spot Plate Glass Replacement Service.

AMERICAN GLASS CO.
1030-42 NORTH BRANCH ST.
CHICAGO, ILL.

TELEPHONE: MOHAWK 1100 :: ALL DEPARTMENTS

C. L. HARRIS & CO. OPEN NEW BRANCH OFFICE

M. M. WELCH IS IN CHARGE

Will Now Have Well Established
Service to Take Care of Cin-
cinnati Territory

C. L. Harris & Co. of Cleveland, general adjusters, have opened a branch office at Cincinnati in 811 First National Bank building. The firm also has offices at Toledo, Youngstown, Akron and Columbus, aside from its general office in the Auditorium building at Cleveland. M. M. Welch, who is manager of the Cincinnati office, has had a number of years' experience. He has been connected with the head office of the Ocean Accident and Columbia Casualty and later was at the Cleveland branch office of these companies. C. L. Harris & Co. have built up a large claim business, representing many of the old line



C. L. HARRIS

casualty and fire companies. The firm maintains its own legal department. Mr. Harris, who is head of the organization, has given it his personal attention. He has developed a very capable staff of office and field men. He has aimed to build up specialists in various lines of his work.

Louisville Claim Association

LOUISVILLE, June 6.—The recently organized Louisville Casualty & Surety Adjusters Association has changed its name to the Louisville Claim Men's Association. It will accept as members all claim men of casualty and surety companies attorneys who represent such companies, as well as claim men connected with a few of the big industrial corporations which carry their own insurance.

Officers of the organization are: President, J. J. Fleming, United States Casualty; vice-president Raymond Copes, Travelers; treasurer, Paul Kelley, Aetna Life; secretary, George C. Long, Hartford Accident.

Writes Unusual Bond

ATLANTIC CITY, June 6.—Addressing the 600 delegates in attendance at the recent annual convention of the New Jersey League of Building & Loan Associations, Herbert H. Hannon of Newark declared that one of the insurance companies of his city was prepared to write a bond "guaranteeing, in addition to the fidelity of all association employees, loss through inside or outside holdups, disappearance of funds, negligence of messengers or clerks, as well as loss through forgery. In addition, the company would allow \$50 each to association directors who might be robbed by bandits while in attendance at meetings."

ATTENTION FOCUSED ON ACCIDENT DISABILITY

SPECULATION IS ELIMINATED

Other Companies Expected to Modify
Clause So It Will Indemnify for
Loss Sustained

Action of the Travelers, Aetna Life and Pacific Mutual Life in changing the total accident disability clause in accident policies to provide for payment of full indemnity for loss of time for 52 weeks during which insured is unable to perform the duties of "his" occupation and thereafter while he is unable to perform the duties of "any" occupation has focused attention at this time on this clause. It is known that other companies are going to make a like change shortly.

This treatment of the total accident disability clause is not at all on a par with the treatment of the total disability illness clause, which companies generally issue only to cover for loss of time during 52 weeks. The changed accident disability clause does not constitute a discontinuance of writing life indemnity for loss of time through accident.

Indemnify for Loss Sustained

According to the companies taking the action, the change is simply to make the accident policy do what it was originally intended to do, indemnify for loss sustained. It never was the intention of the insurance companies nor is it sound public policy to write a contract which has a speculative value and which under some circumstances may constitute a pension instead of furnishing indemnity for loss. For most occupations and most accidents, the new clause will have no bearing. Thus a man employed in ordinary office pursuits will be unable to do anything when he is unable to carry out the duties of his own occupation. But a nurse who cannot walk or a dentist who is injured in his arm or hand may be unable to carry out the duties of his or her own occupation but enter other occupations where they may earn more than in their original positions. In such cases, the accident contract as previously written placed a speculative value in the contract and constituted in effect the promise of a pension rather than the promise of indemnity where real loss was sustained.

Protects Great Mass

The modified clause allows one year for adjustment to changed circumstances. Protection of the great mass of policyholders is the real purpose of the companies in issuing the modified clause. It closes the door to the speculative buyer of accident insurance and makes it possible for companies to continue offering indemnity for loss at premiums which the public can afford to pay. The few cases involving payment of a pension instead of a payment for loss sustained can upset completely the experience tables on accident policies.

Plans for New England

C. M. Berger, United States manager of the London Guarantee & Accident, announces that all business in New England with the exception of Connecticut will be handled under the supervision of its New England department at 141 Milk street, Boston, of which Harold A. McKenna is resident manager.

This New England department was opened by the London on May 1, 1921, with Mr. McKenna as special agent. He later became branch manager on July 1, 1925, but at that time this department did not have the supervision of eastern Massachusetts territory which it now takes over as of June 1.

The London was originally admitted to Massachusetts in 1893. Its 35 years experience in New England has enabled it to build up a New England department that is fully equipped to give claim, engineering, payroll auditing and policy writing service to agents.

GENERAL ACCIDENT

ESTABLISHED



IN YEAR 1885

General Accident Policies
Give Absolute Protection

*The
Progressive*

Steam Boiler
Compensation
Elevator
Teams and
Public Liability



HOME OF "SERVICE THAT EXCELS"

Accident—Health
Burglary—Plate Glass
Auto Liability
Property Damage
Collision

*Casualty
Company*

GENERAL ACCIDENT

FIRE AND LIFE

ASSURANCE CORPORATION, LTD.

FREDERICK RICHARDSON, *United States Manager*

PHILADELPHIA

LIFE COMPANY PEOPLE HAVE NEW PROJECT

**Western & Southern Interests of
Cincinnati Purchase the Amer-
ican Liability**

PLANS FOR THE FUTURE

**Will Develop the Institution into a
Strong Multiple Line Organization
Well Backed Financially**

The announcement that Chas. F. Williams, vice-president of the Western & Southern Life, has purchased more than 75 percent of the stock of the American Liability of Cincinnati at \$10 per share has created considerable interest. The American Liability has \$200,000 capital, which will no doubt be increased. The company will have the same stockholders as the Western & Southern Life and Mr. Williams plans to extend its operations into the multiple casualty lines, including surety. A well known casualty man will be selected to head the new organization. The American Liability was organized in 1910 and has had a slow but substantial growth. Its premiums last year were \$231,000, about \$50,000 of which was monthly payment accident and health, and the rest automobile.

May Have Fire Company

Although plans are not completely formulated, it is not unlikely that the Western & Southern Life will also or-

ganize a fire company and the plan of the Travelers, Aetna Life and other multiple line companies will be followed to a certain extent. The Western & Southern has been very successful as an industrial and ordinary life company and has had one of the most rapid growths of any of the larger companies. The taking over of the American Liability means that Ohio will have a powerfully backed casualty company and also that the Western & Southern organization will become a much larger factor in the insurance field than it has heretofore.

The tendency in industrial life insurance is to require a surety bond from agents, or a deposit. The Metropolitan Life now requires a \$250 surety bond from its agents. Agents of the Western & Southern use hundred of automobiles. The Western & Southern carries mortgages on much real estate property and undoubtedly the new fire company, if organized, would control this business. No statement is made as to whether the agents of the Western & Southern will solicit or influence business for the multiple lines, but undoubtedly the influence of the Western & Southern will be considerable in building a casualty and fire organization.

Mr. Williams has shown himself to be an able executive and a shrewd financier. The new company will have substantial financial backing and management. It is too early as yet to say how far the Western & Southern organization will go in developing other insurance lines, but undoubtedly the move of the company in buying the American Liability is an important one and in time a general insurance organization will be developed to take an important place in the insurance world.

Prominent Memphis Agent Dead

Charles C. Wellford of the prominent Memphis local agency firm of Thomas Wellford & Sons, died last Saturday.

INDUSTRIAL COMPANIES SHOW GAINS FOR YEAR

**Production of Weekly Premium
Accident and Health Business
Very Satisfactory**

CLAIMS LITTLE BETTER

**Competition Too Intense, Especially in
South, Resulting in Over-Insur-
ance in Many Cases**

CHATTANOOGA, TENN., June 6. —Practically all of the companies writing industrial accident and health insurance are showing a very satisfactory increase so far this year over their 1927 figures, according to company executives who attended the recent meeting here of the executive committee of the Industrial Insurers Conference. The trend of the business seems to have been about the same for all the companies. Shortly after the first of the year there was a decided slowing up in business and it looked at that time as though the prospects for the year were not going to be particularly bright, but the more recent weeks have brought about a sufficient improvement to offset the slowness that existed a little earlier.

Unemployment Little Felt

Unemployment does not seem to have had any effect on the business of the industrial companies, which are always the first to feel it. There have been

some localities in which employment conditions have been unfavorable, and in which the industrial writings have been affected accordingly, but the condition has not been general at any time. In fact, those companies which operate in Detroit and the other automobile manufacturing centers have found employment conditions there very much improved over last year. The slump in the automobile business last year affected not only the actual manufacturing centers, but also the other cities where assembling plants and large distributing organizations were maintained.

So far as any unemployment conditions have been evident, it is felt by company officials that they are merely the result of inevitable readjustment from the over-production in various manufacturing lines just after the war and it is felt that this readjustment will have a favorable effect on business conditions generally.

Loss Situation Little Better

While conditions in the industrial field are very satisfactory from a production standpoint, the loss situation, which has been the big problem with those companies for a number of years past, seems to show very little improvement. The proposal adopted at the St. Louis meeting of the Industrial Conference last year in regard to closer cooperation by the companies on claim matters does not seem to have had any great effect. It is stated that in some of the cities where the cooperative plan was put into effect it worked very well for a few weeks and then the pressure of competition became so intense that it was virtually abandoned.

Worst Showing in South

The companies which have practically all of their business in the south are the ones that seem to be the hardest hit. The ones that have a wider spread of

The AMERICAN GUARANTY COMPANY

COLUMBUS, OHIO

J. B. Coombs, President

All Forms of Casualty Insurance
at Independent Rates
Including

PLATE GLASS

BOTH 50-50 and STANDARD

AUTOMOBILE

FULL COVERAGE
INCLUDING "AMGAR" COLLISION

Desirable Territory Available

Address Agency Dept.
Columbus, Ohio

SMITH-LAWSON-COAMBS CO.

General Agents for Chicago Area
1030 INSURANCE EXCHANGE
CHICAGO, ILL.

business taking in some of the northern cities, have made a better showing. The more unfavorable experience in the south is due almost entirely to over-insurance and that in turn is the result of too intense competition. There are admittedly too many companies in the industrial field in many sections of the south and some company executives say very frankly that the only way in which the business can be put on a money making basis is to bring about a consolidation of some of these companies. A continuance of the present high loss ratio of some of these companies is likely to force them out of business.

Mostly Written on Negroes

Practically all of the weekly payment business in the south is written on Negroes. The experience on this same class of risk in northern cities, and particularly in Chicago, where there has been an especial concentration of colored laborers in recent years, is more favorable than it is in the south. This is attributed partly to the fact that there are not so many companies in the field and partly to the higher wages drawn by most of the policyholders. Practically all of the companies make the maximum amount written \$10 per week, with the average probably about \$6 or \$7. With the wages generally paid in Chicago and other northern industrial centers, it is therefore quite possible for an insured to be carrying policies in two companies without being over-insured, at any rate so long as he is at work.

When he is out of work it is another matter. In fact, the president of one of the bigger companies in this field has stated that in addition to writing accident and health insurance, the industrial companies are really furnishing unemployment insurance as well, since a large proportion of the policyholders manage to collect on their policies during a period of unemployment.

FIRE UNDERWRITERS OF OHIO CHOOSE OFFICERS (CONTINUED FROM PAGE 9)

Mr. and Mrs. Martin Vold, Mr. and Mrs. Ed. Thompson, John Gray and Fred Sipp.

Members Obtained

J. E. Brown, Jr., F. G. Wanderly, Walter C. Wagner, inspectors in the Columbus office of the Ohio Inspection Bureau; Special Agents James N. Chesnut of the Springfield, George E. Kenny of the Glens Falls, George S. Valentine of the Ohio Farmers, H. L. Bredberg of the North America, J. E. Hanowell of the Merchants, H. J. Kinkham of the Great American, H. C. Davis of the New York Underwriters, and S. L. Cotten, manager of the Commercial Mutual of Columbus, were initiated into the pond Monday night.

The pond decided to have local committees appointed to see members individually, urging application for insurance under the Blue Goose group plan, which is to be written by the American National of Galveston if 75 percent of the members enter the group. Grand Welder Paul Rudd has informed Ohio members that a master contract will be written for the grand nest and certificates issued to individual members.

Most Loyal Gander Earl Reid was selected as delegate to the Montreal Grand Nest meeting to accompany C. G. McCray, permanent delegate.

William T. Benallack of the Michigan pond, who was one of four to start the Ohio pond on its way in 1907, was called for a talk. On behalf of the Ohio pond, John R. Cashel presented Mr. Benallack with a cigar lighter. George Kessberger of Detroit spoke briefly. Past Most Loyal Gander Fred Ransom was in attendance.

Indulgence is often mistaken for happiness. The one is futile and fleeting, the other soul satisfying and all abiding.

NEW COMPANIES IN FIELD INTENSIFY COMPETITION

NOW READJUSTING POLICIES

Official of Baltimore Company Comments on Condition Now Observed in Casualty Field

BALTIMORE, June 6.—The advent of new companies into the casualty field the last few years has produced the intense competition which today exists, according to an official of one of the largest local companies. Some of the newer companies, he continued, have not been "in" a sufficient length of time to learn that they can not survive and continue to subject the business to the abuses in their original plans of operation.

"The policies of such companies are therefore," he said, "being gradually readjusted, and they have apparently decided that a conservative policy is better than liquidation."

Position of Established Companies

In commenting on a recent article to the effect that casualty officials in the east were watching very carefully the business conditions, owing to the uncertain influences in the field and the trend of the times, he said:

"While the position of the older companies is not impregnable, it is able to withstand the onslaught of newer competition. The established company has nothing to fear from the new organizations which have been conceived for the most part in the belief that the business is some kind of 'get rich quick scheme.' If there is any magic in the business it could be more safely employed by the companies financially able to pay for the experiment.

Halt to Be Called

"The amount of hocus-pocus which has been developed in the business is apparently beginning to receive the attention of insurance commissioners. It is not enough to wait until companies pay for their folly by becoming insolvent, and there are some signs that a halt will be called to insure the adequacy of protection to which the public is entitled.

"Throughout all this, the well organized company that has earned its proper place in the insurance and surety structure, is holding its patience, confident of the ultimate result. Meanwhile, our sympathy should be divided equally between the ambitious stockholder and the unsuspecting policyholder."

Unemployment Insurance Endorsed

OTTAWA, ONT., June 6.—The parliamentary committee on industrial relations has endorsed the principle of unemployment insurance. The committee's report would favor compulsory contributions to an insurance fund derived from the state, the employer and the employed. The opinion is expressed in the report "that the necessity for providing some method of unemployment insurance will inevitably have to be dealt with before long as a solution, in part, of the industrial problems of the present day."

There is no evidence to show that unemployment insurance is a solution of modern industrial problems. At best it is merely transferring money from one pocket to another, without increasing the amount available to keep the wheels of industry turning. In the countries unemployment insurance is in force it has contributed nothing towards the solution of industrial problems.

Hold "Ad" Not Binding Contract

MONTREAL, June 6.—A judgment was handed down lately in a Montreal court to the effect that any advertisement by a taxicab company appearing in a newspaper, stating that patrons are insured against damages while riding in the company's cabs, does not constitute a binding contract.

Pays a Profit At Once



Mr. Frank W. Bland
The National Underwriter
105 Montgomery Street
San Francisco, California

Dear Sir:

We have just finished the 11th lesson of the Sales Training Course in casualty and bond underwriting, and we are certainly pleased with the course. We have found it to be practical in every respect and it has resulted in our sales force soliciting unusual lines of liability which were formerly not written by our agency.

We found that within two weeks of the time that we completed the third lesson no less than twelve new applications were secured from clients for whom we had carried other lines for years, and the premiums on these policies, alone, range from \$50 to \$300 apiece. It is needless to say that this concrete evidence of the practicability of this course has more than sold us on it.

Our office makes a constant effort to render the very best intelligent service to all of its clients, and we have found this course to be a very real assistance to us in rendering this type of insurance service. In line with this thought, we are looking forward to receiving your course on property insurance, which we expect to take up within the next sixty days.

Yours very truly,

Robin L. Hadley
ROBIN L. HADLEY, Secretary-Treasurer

RLH:C

INSURANCE COUNSELORS FOR THIRTY-TWO YEARS

THE NATIONAL UNDERWRITER COMPANY,
420 E. Fourth Street,
Cincinnati, Ohio.

I want to know more about your Sales Training Course in Casualty and Bond Underwriting that is paying such a big profit to the Carle L. Williams Agency and others. Without obligation on my part send me your 32-page booklet, "Income-Building-Knowledge," telling about it.

Name

Company

Street

City, State



Is the Home Office Alive to Your Problems?

IT IS DIFFICULT for the man in the Home Office to appreciate your problems in the field unless he can get them from your standpoint. Close contact with agents, plus a readiness to be sympathetic to agents' problems, has created in the U. S. F. and G. field force a spirit that is properly reflected in increasing premium volume.

UNITED STATES FIDELITY AND GUARANTY COMPANY

Home Office: BALTIMORE, MARYLAND

\$175,000,000 Paid in Claims in 31 Years



We don't forget
our Policyholders.
We find it aids
our Agents

CENTRAL WEST CASUALTY COMPANY

941 JEFFERSON AVE., EAST
DETROIT, MICH.

HAL. H. SMITH, President

COMMISSIONER SAM B. KING DIRECT OPPOSITE TO HIS FIERY PREDECESSOR

COLUMBIA, S. C., June 6.—A sharper contrast between two insurance commissioners could scarcely be imagined than that presented by John J. McMahan and Sam B. King. Mr. McMahan, widely regarded as a fire eater, was defeated for reelection in South Carolina and in his stead Sam King, quiet, conservative, with no intention of tossing monkey wrenches, was elected. Mr. McMahan had long been a storm center in the insurance field and he had many ardent admirers and was generally considered as a man thoroughly sincere and above reproach so far as any question of integrity was involved. Mr. King is as yet unknown though his record of three terms in the state house of representatives would indicate that he will weigh his actions carefully.

Only 31 Years Old

Coming into contact with the new insurance commissioner of South Carolina, one is immediately impressed with his youthfulness, his energy and his cordiality of manner. Mr. King was born in 1897, the youngest man who has held so important a post in a long time in South Carolina, a state which usually "picks 'em ripe." The fact that he was elected over John J. McMahan,

veteran of more than one hard fought political campaign, shows something of his vote getting ability.

Formerly in Real Estate

Commissioner King is at his office early and late and gives close attention to his duties and is rarely too busy to receive visitors. Before being elected insurance commissioner he was engaged in the real estate business in Greenwood and served three terms in the house of representatives. He makes no pretense of being omniscient, admits there are many things about insurance he does not yet know in detail, but declares that if consistent study of these details will bring light, he will soon have that light.

No Radical Changes

"I intend to make no radical changes in the manner of conducting the business of the office," Mr. King said. "I entered the office with the intention of administering justice, so far as I am able, in every case that comes before me. I shall try to be fair to all and to show favoritism to none. I have only held the office a few weeks and realize that I have much to learn about its workings."

TALKS TO ACTUARIES ON COMPULSORY LAWS

Edson S. Lott, president of the United States Casualty, read a paper on compulsory automobile insurance at the meeting last week of the Casualty Actuarial Society in Philadelphia. He said that no effective law to accomplish the purposes aimed at has yet been devised. He said the Massachusetts law was like a stone aimed at two birds, but which misses both birds aimed at, hits a smaller one between them and injures an innocent bystander. The two birds missed are accident prevention and assurance of relief to victims of automobile accidents generally. The bystander hurt is sound insurance. The other damage done is an increase in expensive litigation. The little bird touched, the only good effected, is the production of somewhat more general security for the recovery of damages in those automobile accident cases in which the victims can prove that they are legally entitled to damages.

Lott Offers Suggestion

Mr. Lott's remedy to accomplish what is aimed at by all the compulsory insurance laws is simply to revoke the automobile license of any person against whom there is an unsatisfied judgment for personal injuries growing out of an automobile accident. "Pay for the damages for which you have been adjudged liable or keep off the roads" is the rule he would lay down and he believes that with its utter simplicity it would still accomplish more than the more complicated laws which have already been tried or proposed.

Fond du Lac Situation Cleared

MILWAUKEE, June 6.—The Royal Indemnity has withdrawn its bid on public official bonds at Fond du Lac, Wis., according to a report received at the meeting of the Surety Underwriters Association of Milwaukee, June 1. An error has been made in the rate, which the company acknowledged. The surety men look for the Fond du Lac situation to be cleared up.

Information received from the city clerk of Milwaukee that of 82 bonds filed for sidewalk laying in the city of Milwaukee in 1927, only four or five were personal surety and the rest corporate surety, was received with gratification by the surety men.

AUTOMOBILE INJURIES COST STANDARD MOST

DETROIT, June 6.—Injuries to individuals caused by accidents involving automobiles resulted in a larger amount of money being paid in claims by the Standard Accident during the past year than any other type of personal accident, according to Thomas Hook, superintendent of the accident and health department of that organization.

According to Mr. Hook a total of \$337,210.87 was paid out by the Standard in automobile accident claims. Collision was the most prevalent cause of injury with skidding or ditching running a close second. Others included cranking, jolting, entering or leaving, operating and repairing.

Accidents Due to Sports

A great many claims are paid to sport enthusiasts. These include accidents while in bathing or because of drowning, accidents happening while playing baseball, football, tennis and other games of this nature, wrestling or boxing, and motor boat accidents. A total of \$50,893 was spent by the Standard in satisfying the claims of those injured in this kind of accidents.

That horses and carriages are not as extinct as some may believe is shown by the fact that the Standard paid \$16,223 to persons injured while riding horseback, or riding in carriages or wagons.

Opens Philadelphia Branch

The Ocean Accident has established a branch office at Philadelphia in charge of George T. Barber as manager. He has been connected with the Aetna Life companies as assistant manager. W. F. Swan, who has been general agent of the Ocean for 25 years, will devote his attention to personal business.

Ingress and Egress Covered

ST. PAUL, June 6.—Usual avenues of ingress and egress constitute part of the working premises of an employee under the compensation law, the Minnesota Supreme Court has held in reversing the state industrial commission. Under the decision, the Midwest Mutual must pay compensation to an employee of a restaurant at Benson, Minn., who fell in a ditch near the entrance of her place of employment.

AMONG SURETY MEN

WILL CONSIDER BANK RATES

Depository Bond Experience to Be Discussed at Meeting—No Change on Public Officials

NEW YORK, June 6.—Subscribers to the R. H. Towner rating service will meet in this city tomorrow and Friday to review their experience upon depository bond and public official bond lines, during the past year; this in accord with their annual custom. Rates for depository bonds in all states west of the Mississippi river were revised in July, 1924; when the following figures were adopted to apply to all financial institutions, whether holding state or federal charters, in Arizona, Arkansas, Colorado, Idaho, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington and Wyoming; assuming that the depository is not required to furnish indemnity in double the amount of the maximum deposit: Banks with capital of less than \$50,000, \$10 per annum per \$1,000 on penalty of bond; where the capital ranges from \$50,000 to \$100,000, \$7.50; with capital of \$100,000 and less than \$200,000, \$6, and where capital exceeds \$200,000, \$5. In all cases where a bond in double the amount of the maximum deposit is called for, the rate under the above capital classification is \$5, \$3.75, \$3, and \$2.50, respectively.

Realizing on Salvage

Whether rates for the territory will be reduced to conform more nearly to those charged in the balance of the country, will depend entirely upon the result of the experience as disclosed when the companies submit their figures at the forthcoming meeting. It may be decided that a reduction from existing tariffs is unwarranted. Salvages have been coming in rather freely in recent months; a fact that may put the managing underwriters in a frame of mind favorable to a slight downward rate revision, but this is a matter of pure speculation at this writing.

Rates on public official bonds were revised 12 months ago, and it is unlikely that these will be altered for some time.

NEW BLANKET POSITION BOND

Rates for Fidelity Form Approved by Surety Association Are Sent to Companies

NEW YORK, June 6.—Rates for the new fidelity blanket position bond on the standard form approved by the Surety Association of America have been supplied to member companies. The bonds are written in penalty amounts of \$5,000, \$10,000, \$15,000 and \$20,000, and are limited in their application to the United States, Alaska, Hawaii, Canada and Newfoundland. Bondable employees are divided into two broad classes, compulsory and optional. The former embraces officers and employees subdivided into grades, and the latter includes "factory workers, laborers and mechanics."

Additional specific fidelity insurance may be taken on individual employees, the rate being the regular manual figure according to the volume and classification of the employer's business.

Decherd Assistant Manager

W. T. Decherd of Austin, Tex., has been appointed assistant manager in Texas for the American, in charge of the Austin office. Mr. Decherd has been with the American Surety 34 years, all of that time in the Austin office, which for many years was managed by the late Capt. James E. Lucy.

RULES ON BANK ASSOCIATION

Kansas Attorney General Sees No Reason for Withholding License of Association Secretary

TOPEKA, KAN., June 6.—The Kansas Association of Insurance Agents has lost the first round of its fight to determine whether or not the secretary of the Kansas Bankers' association should be licensed as a surety agent. William A. Smith, attorney general, has advised Commissioner Baker that he could see no reason why the secretary of the bankers should not have a license.

The question is now in such shape that the insurance agents can carry the case into the courts to obtain a final ruling and complete interpretation of the agents' qualification law. Whether or not this will be done has not been determined by the officers of the association.

The attorney general did not give any reasons for his ruling in his letter advising the department to issue the licenses. However, in a discussion of the matter with department officials he pointed out that the work of protecting banks against bandits was not required by the by-laws of the association and if stopped by a lack of funds would have to be handled in some other way. He pointed out further that the work being done was of great value to the general public and of real value to the burglary and holdup insurance companies and he felt that these outweighed the technical rebate question.

Griffin Joins New York Indemnity

Stanley Maynard, Chicago western manager of the New York Indemnity, announces the appointment of S. H. Griffin as assistant manager of the surety department of the Chicago branch office. Mr. Griffin has engaged in the general lines of insurance for over 25 years. He entered the insurance business in Chicago in the office of Ira J. Mason. In the surety business he was originally branch manager for the American Surety in Omaha, then transferred his activity to branch manager at Denver, thence going to Chicago as assistant manager of the American Surety Chicago branch office. He was with the American Surety for a period of 14 years until he engaged in the wholesale radio business, which business he recently sold.

Mr. Maynard states that this appointment is another step towards making still better the service surrounding the development of the Chicago branch territory of his company.

Surety Men Meet

ST. PAUL, June 6.—The Twin Cities Surety Association held its regular monthly meeting with an attendance of about 60 members. President C. H. Van Campen, Minneapolis, presided and a discussion on surety problems took place. One of the questions which came up for considerable discussion was how to secure better cooperation and harmony. President Van Campen and H. R. Holker, secretary, both stated that much has been accomplished along this line since the organization was founded last November.

Hold Contractor Can Change Bond

MILWAUKEE, June 6.—A surety bond on contractors doing public work for the city of Milwaukee may be changed at the will of the contractor, provided the city is at all times protected, the city attorney's office has ruled. The opinion was given in the case wherein Bentley Bros., contractors, desire to change a bond written by the Southern Surety. The Southern Surety has stated that it will not retire as surety on the contract because it has reinsured about \$400,000 in other companies. The city attorney's office rules that it is a matter for the contractor and the surety but that the commissioner of public works must see to it that the city is at all times protected.



Financial strength and years of experience—both necessary for the successful writing of casualty insurance and surety bonds.

ROYAL INDEMNITY COMPANY

150 WILLIAM STREET
NEW YORK

"Express Full Supplies— We Have Been Elected"

Fighting for Presidential delegates to a National Convention must be thrilling. But we venture to say that there is just as much zest in battling the older, strongly entrenched companies for good casualty and surety agents.

The telegram quoted, received from one of our field men, indicates the outcome of a recent combat. Our progress from the beginning bespeaks the result of many another battle.

Good agents do not change companies without a reason.

**Great American
Indemnity Company
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Organized—1926

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Writing Casualty Insurance Fidelity and Surety Bonds



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Business-Builders

Developing

Fidelity and Surety Bonds, Automobile
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Appreciate the co-operation of the

**Massachusetts Bonding
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BOSTON

T. J. FALVEY, President

Write for Territory

Paid-in Capital, \$4,000,000

Surplus to Policyholders, \$8,900,376.30

Admitted Assets, \$17,503,865.43

FULL COVERAGE
AUTOMOBILE CONTRACT
Embroiding
FIRE
THEFT
PUBLIC LIABILITY
PROPERTY DAMAGE
COLLISION
TORNADO

Established 1910



HEALTH
ACCIDENT
ANNUAL
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QUARTERLY
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PLAN
SPECIAL AUTO
ACCIDENT

Desirable Open Territory in
OHIO, INDIANA, W. VIRGINIA, PENNSYLVANIA and KENTUCKY
Write Agency Department

THE AMERICAN LIABILITY CO.
CINCINNATI

WORKMEN'S COMPENSATION

CONSIDER NEBRASKA CHANGES

Commission Named by Governor to Recommend Amendments Announces Topics It Will Take Up

LINCOLN, NEB., June 6.—State workmen's compensation insurance is to be one of the plans studied by the newly-created commission of six charged with the duty of recommending to the next legislature amendments to the existing law. This was brought up at the preliminary meeting, at which F. A. Good of Lincoln and Prof. E. Glen Cullen of Wesleyan University, Lincoln, were named as president and secretary respectively. An open meeting is to be held June 19 at the state house to hear those desiring to present their ideas on the subject. Chairman Good announces that the commission will give earnest consideration to three cardinal principles in the scope of such enactments:

Medical attention and compensation money for the injured worker and for his or her dependents.

Conservation Important

Conservation of life and limb through the incidental inspections and penalization of the employer who has not adequately safeguarded his employees.

Protection against unjust and rapacious claims for compensation or for medical services beyond a reasonable minimum.

Each member of the commission submitted a list of topics which he desired investigated. These included state insurance, a commission of three in lieu of one state compensation commissioner; cause of the increase of rates on compensation risks; needed laws for prevention of accidents; limitation of fees for physicians, surgeons and hospitals; adequacy of present compensation for injuries, and desirability of courts naming an examiner to determine degree of disability where an appeal is taken.

As no funds for the commission were appropriated by the legislature, the facilities of the compensation commissioner and the state legislative reference

bureau will be used for research and secretarial work.

Colorado Changes Sought

DENVER, COLO., June 6.—The Colorado Federation of Labor has started a petition to secure 30,000 signatures for the purpose of placing on the ballots in the November election an amendment to the compensation law. Six changes are sought, all of which failed in the last legislature:

1. Raise the maximum weekly compensation from \$12 to \$16.
2. Increase the percentage of weekly wage on which compensation is based from 50 to 66.6.
3. Figure compensation on the basis of the wage at the time of the accident rather than on an average for six months preceding.
4. Increase the medical allowance from \$200 to \$400.
5. Extend the time in which this money may be spent from 60 to 90 days and permit the industrial commission to make further extension.
6. Increase the total maximum payments from \$3,750 to \$4,492.

Oklahoma Hearing on Small Policies

OKLAHOMA CITY, June 6.—A hearing was held Thursday by the state insurance board on the matter of adopting the proposition of the National Council on Compensation Insurance for a policy fee of \$10 where the premium is under \$300, and allowing a reduction of 4 percent on policies that carry larger premium. At the hearing the mutuals were opposed to the filing, while the National Council and the stock companies want it approved. The board deferred action pending further investigation of statistics showing profit and loss ratios of the companies involved.

Proper Party to Bring Suit

LINCOLN, NEB., June 6.—The ruling of the Nebraska Supreme Court in the subrogation case of Luckey vs. Union Pacific was incorrectly reported last week. The ruling of the Supreme Court is that in case of non-fatal injuries the employer has a right of action under the subrogation provision of the compensation act, but in the case of the neglect or refusal of the employer to sue the employee himself may bring the action against the third person for damages. In case of fatal injuries the administrator of the employee is the proper party to bring suit.

WITH BURGLARY UNDERWRITERS

F. F. ROWELL ADDRESSES CLUB

Representative of Burglary Alarm Company Reviews Protection History and Suggests Changes

F. F. Rowell, representing the Reliance Electric Protective Company, addressed the meeting of the Insurance Club of Chicago on Tuesday of this week on the subject of burglary alarm protection. In opening he complimented the club for its activities, saying that so far as he knows it is the only one of its kind in existence and that the club idea is splendid.

"Burglary protection is about 73 years old," Mr. Rowell said, "older than burglary insurance itself. Originally the burglary alarm industry and the insurance companies were competitors." He briefly sketched the development of electric alarm systems, saying that chaos in the business existed before the Underwriters' Laboratories became concerned with burglary alarm systems and began making tests and issuing recommendations.

Urges More Local Alarms

Mr. Rowell made a strong plea for greater use of local alarms as distinct from central station alarms, saying that the psychological condition resulting in

a crook's mind from hearing an alarm bell ringing is more important in prevention of burglaries, and especially "snatch" burglaries, than is the fact that the ringing may attract a policeman or passing pedestrians to the crook's attempt. He said that under certain conditions the local alarm is greater protection than the central station alarm for the reason that crooks can determine precisely what time central station guards need for making a run and thus how much time they have in which to "pull a job."

The speaker advised his hearers against trying to stop between No. 3 and No. 2 protection in seeking a small amount of protection additional to No. 3, saying that it is much more safe and certainly less complicated to go completely through to No. 2 protection if an added precaution is needed. He said also that in his belief the installation of floor traps in addition to regular current protection will work toward materially improving the burglary situation in Chicago.

Reward for Indiana Bandits

At a dance held Memorial Day evening at the Broadmoor Country Club, just northwest of Indianapolis, 200 guests were held up by six bandits and over \$100,000 in jewelry and money was taken. The guests were lined up against the

walls of the ball room and while several of the bandits covered them with sawed-off shotguns the others passed before them with sacks into which they were ordered to throw money and valuables. The bandits also searched the other rooms of the club for guests who might have escaped and robbed the employees as well. The job took about 25 minutes. Insurance companies and others have offered rewards for apprehension of the bandits which aggregate about \$5,000.

F. & C. Pushes Burglary Business

NEW YORK, June 6.—June has been

designated residence burglary production month by the Fidelity & Casualty, which has arranged a business-getting competition among its branch offices. These offices have been grouped according to the possibilities of their fields, and a weekly record of the result together with stimulating bulletins will be issued each week by Frank B. Smedes, superintendent of the department. An excellent start has been made and there is every prospect that when the contest period ends a substantial volume of new business will have been rounded up for the company.

ACCIDENT AND HEALTH

WILLFUL KILLING COVERED

Held "Accident" in Two States—Beneficiary Who Kills Insured Can't Recover, but Estate Can

Where death of insured was brought about intentionally by the beneficiary in the policy, and such killing was not justified, held that the killing was accidental within meaning of the language employed in the policy. If an injury occurs without the agency of the insured, it will be held "accidental" even though it may be brought about designedly by another person. If the beneficiary in a policy of accident insurance willfully kills insured, the beneficiary as a matter of public policy cannot recover on the policy, but this prohibition extends no further than to such beneficiary, and does not preclude the estate of decedent from recovering. *Mutual Benefit Health & Acc. vs. Tiley*. Sup. Ct. Ark.

Held that where an accident insurance policy provided for payment in the event the insured should sustain bodily injury directly and independently of any other cause, through external, violent and purely accidental means, the killing of assured by a third person, though intentional, is deemed accidental within the meaning of the policy if the killing was not brought about by the agency of assured. *McCullough vs. Liberty Life*. Sup. Ct. Kan.

Protest Oil Company Deal

The Health & Accident Managers Club of Los Angeles has sent a protest to Commissioner Detrick of California in regard to the sale of accident and health policies by the Richfield Oil Company at its filling station in connection with purchases of oil and gasoline. The protest points out the grave danger of insurance being sold by men unprepared, incompetent and not qualified to look after the best interest of the public at large. The club protests against the business "being dragged down, cheapened or belittled." A copy of the letter to the commissioner was also sent to the Richfield Oil Company.

Announce New Appointments

N. W. Allread & Co. of Jacksonville, Fla., general agents for the Inter-Ocean Casualty in the southeastern department, have appointed J. B. McLaughlin of Columbia, state manager for South Carolina. J. B. Strickland will act as special agent in that office. Offices are already maintained at Birmingham, Ala., under the supervision of H. K. Reid, state manager, and at Decatur, Miss., under supervision of C. J. Bailey, state manager. Allread & Co. now have more than 200 men selling the special monthly payment policies of the Inter-Ocean throughout the south and are making very rapid progress in that section.

Nebraska Companies Merged

The reinsurance contract by which the American Old Line Life of Omaha takes over all the business of the Columbia Life of that city has been approved by the Nebraska insurance department. Both companies have written a considerable volume of accident and health as well as life insurance. The American Old Line formerly was primarily an accident and health company but in recent years

has been devoting more attention to life insurance.

Club Holds Golf Tournament

The Accident & Health Managers Club of Chicago will hold its first golf tournament Friday of this week at the Edgewater Valley Country Club. Armand Sommer of the Standard Accident and Harold R. Gordon of the Health & Accident Underwriters Conference are in charge of arrangements for the tournament.

Equitable L. & C. Coast Rally

OAKLAND, CAL., June 6.—Field men of the bay district offices of the Equitable Life & Casualty held a banquet in Oakland the evening of June 2. John H. Schively, secretary of the Insurance Federation of California, was the principal speaker.

Mutual Benefit Enters Virginia

The Mutual Benefit Health & Accident of Omaha has been licensed in Virginia. Robert A. Patten is state agent, with headquarters at Richmond. He was formerly with the company in a similar capacity in North Carolina.

Memorial Drive Under Way

Field forces of the London Guarantee & Accident are in a drive for new accident business in June in honor of C. M. Berger, United States manager of the company. Mr. Berger celebrates in June his fifth anniversary as United States manager, and in June the company celebrates the 35th year of its operation in the United States.

O'Sullivan in Northern California

Michael F. O'Sullivan, manager of the accident department of the Mountain States Life of Hollywood, Cal., is spending some time in San Francisco and northern California on agency work.

Plan Joint Meeting

Members of the Accident & Health Associations of Los Angeles and San Francisco are planning to hold a joint meeting in San Francisco on or about Sept. 22.

PERSONAL GLIMPSES OF CASUALTY MEN

Mrs. Josephine Norwood Rathbone, wife of Joel Rathbone, vice-chairman of the National Surety, died at her home in Woodmere, L. I. Mrs. Rathbone had been ill for several months.

Harold P. Janisch of Chicago, secretary and general counsel of the American Mutual Alliance, has set Aug. 1 as the time he will sever his connection with the organization. He attended the insurance commissioners' meeting at West Baden Springs this week. Mr. Janisch has not decided on his future work. He may become connected with some insurance company or remain in some form of insurance organization work. Mr. Janisch is a man of capacity and already has had offers for his business future.

Miss Violet Thompson, chief underwriter of the Kansas City branch office of the Aetna Life, was elected president of the Missouri Committee of



Union Indemnity Company

NORTHWESTERN CASUALTY AND SURETY COMPANY

EXECUTIVE OFFICES: Union Indemnity Building, New Orleans
EASTERN DEPARTMENT: 100 Maiden Lane, New York

C. L. HARRIS & COMPANY

Auditorium Garage Building, Cleveland, Ohio

GENERAL ADJUSTERS

RISK SURVEYS-AUDITS

Immediate Service at Any Point in Northern Ohio

"Notify our Closest Branch"

Akron Office—525 Second National Bank Building

Youngstown Office—504 Realty Building

Toledo Office—628 Nicholas Building

Columbus Office: 701 Outlook Building

Ohio, Indiana, Illinois, Nebraska, Iowa

Casualty Writing Agencies

Some Good Territory is open for Direct
Home Office Reporting Connections

AMERICAN CASUALTY COMPANY
READING, PENNA.

Incorporated 1902

ASSETS \$3,218,290.89

MR. AGENT:

We want to say to you that we are *Bigger and better* equipped this year than ever before, to take care of your Health and Accident Business. Let's talk it over!

INTER-OCEAN CASUALTY COMPANY

Cincinnati, Ohio

J. W. Scherr, President

W. G. Alpaugh, Secretary

Casualty Insurer,
175 W. Jackson Blvd.,
Chicago, Ill.

Please send me the Casualty Insurer
for 12 months and bill me for \$2.

Name

Address

City

S. ADAMS, Oklahoma
Manager of the Travelers,
in an address said:
"I hold in my hand THE
CASUALTY INSUROR. I do
not know where a casualty
agent's \$2 will buy more
current information and
inspiration."

Our Story:—

The Preferred Accident Insurance Company

OF NEW YORK
KIMBALL C. ATWOOD, Pres.
80 Maiden Lane, New York

Has pleased its Agents and Policyholders and steadily grown in financial solidity and in prestige for 40 years.

We write Accident—Health—Auto Liability and Property Damage and Burglary Insurance.

All Agency contracts are direct with Home Office.
Assets exceed \$12,000,000 — Surplus to policyholders over \$6,000,000.

We have some territory open that may interest you.

Casualty & Surety Claim Man

WANTED—Experienced Casualty and Surety Claim man. State experience, age, salary desired and give references. Confidential. Splendid opportunity for promotion. Address **F-73**, care The National Underwriter.

**Re-Insurance
Excess Re-Insurance
Catastrophe Hazard**

All Lines but Stressing Excess Fire Reinsurance General Classifications

DEE A. STOKER
RE-INSURANCE UNDERWRITER
111 W. Jackson Blvd. CHICAGO

**AMERICAN
SURETY
COMPANY**
OF
NEW YORK
100 Broadway

**FIDELITY AND SURETY BONDS
BURGLARY INSURANCE
CHECK FORGERY AND
ALTERATION INSURANCE
PLATE GLASS INSURANCE**

One of the leading Casualty Companies require payroll auditor for work in Chicago. Give experience and salary desired. Applications will be considered confidential. Address **F-66**, care The National Underwriter.

OPPORTUNITIES

This column serves as a market place where insurance wants may be made known to thousands of interested insurance men. Advertisements which are received before 9:00 A. M. Wednesday are inserted in the current issue. "Opportunities" advertisements are \$5.00 an inch for one insertion.

The National Underwriter
Chicago

WANTED

Chicago branch office of large conference Casualty Company, desires services of competent liability and compensation underwriter. Applicant must be qualified to manage department. In reply state age, experience and salary expected. Address **F-77**, care The National Underwriter.

Payroll Auditor Kansas City territory, fully experienced. Give full details. Address **F-74**, care The National Underwriter.

Women in Industry at the annual meeting of the Associated Industries of Missouri in St. Joseph. Miss Thompson has been active in the organization since its inception three years ago. She is the only woman member of the Casualty



MISS VIOLET THOMPSON

& Surety Underwriters Association of Greater Kansas City. Miss Thompson presided at the luncheon for 300 men and women held in connection with the annual meeting of the Associated Industries, and her spontaneous wit and tact in conducting the informal after-luncheon session was widely remarked.

A. Duncan Reid, president of the Globe Indemnity, is again at his desk at the Newark headquarters of his company after a month spent upon the Pacific Coast. While away he was seriously ill, but managed to pull through and is once more in fine shape.

Mr. Reid stopped in Chicago for a couple of days on his way east, conferring with Manager W. W. Steiner and some of the company's agents in that city.

Harve G. Badgerow, vice-president of the Continental Casualty, and Mrs. Badgerow will sail for a two months' trip abroad June 23. Their daughter, who graduated at Dobbs Ferry, N. Y., has been in Paris specializing on music since last summer. They will spend considerable time with her on the trip.

Henry Harder, who fell ill a few weeks ago shortly after being installed as casualty manager of the New York Indemnity in Chicago, has so far recovered that he has left the hospital. He intends taking a vacation of three weeks or a month, going first to Pittsburgh and then farther east.

E. M. Linville, agency superintendent for the Eagle Indemnity, left San Francisco to return to the head office last Saturday after several weeks on the Pacific Coast making an agency and business survey for his company and the Royal Indemnity. While on the coast Mr. Linville covered the distances by air travel in some of the new passenger planes which have lately been put in service between Los Angeles, San Francisco, Portland, Ore., Seattle and Wyoming.

Employers Liability in Jones Agency

KANSAS CITY, MO., June 6.—R. B. Jones & Sons have resigned the Ocean Accident and have been appointed general agents for the Employers Liability, according to an announcement made by Cliff C. Jones. They will continue to represent the Ocean Accident until another agent has been named in Kansas City.

The Ashton Insurance Agency of Kansas City, formerly general agent for the Employers' Liability, has been appointed general agent of the American Employers for western Missouri.

License was granted recently by the Michigan department to the Inland Casualty of Hamilton, O., a running-mate of the Ohio Casualty. It will write a general automobile business.

SETTLEMENT LOOKED FOR ON SURETY COSTS

(CONTINUED FROM PAGE 35)

tee has been delegated to the special committee and the Chicago association is advised that the special committee is prepared to stay in the city as long as is necessary to reach a settlement.

The company representatives at the meeting will be A. J. Ferres, vice-president Fidelity & Casualty; Col. Ralph F. Proctor, vice-president Maryland Casualty; W. A. Edgar, vice-president United States Fidelity & Guaranty; W. McKell, vice-president American Surety, and John L. Mee, vice-president National Surety.

The Chicago representatives are W. H. Hansmann, Fidelity & Deposit; M. H. Fox, New York Indemnity; R. E. Cline, Aetna Casualty; W. H. Kress, Conkling, Price & Webb; W. O. Schilling, United States Fidelity & Guaranty; J. L. Maehle, American Surety, and A. A. Korte, Fidelity & Casualty.

NOTICES TO MANY CITIES

NEW YORK, June 6.—In keeping with the decision reached at a meeting of the fidelity and acquisition cost conference here on May 25, all member companies that have not done so already will address their representatives in Atlanta, Baltimore, Boston, Buffalo, Charlotte, Chicago, Cincinnati, Columbus, Denver, Detroit, Hartford, Indianapolis, Jacksonville, Kansas City, Mo., Kansas City, Kan., Knoxville, Louisville, Milwaukee, Minneapolis, Montgomery, Newark, New Orleans, Ogden, Philadelphia, Pittsburgh, Providence, Richmond, Rochester, Salt Lake City, St. Louis, St. Paul, San Francisco, Syracuse, Toledo, Utica and Washington, D. C., advising that brokerages on general surety and fidelity business must not exceed 20 percent, and on bankers blanket bonds, 10 percent, and further that any arrangements now in force where the figures named are exceeded be abrogated.

The conference companies are firm in their insistence that cost limits be adhered to, and propose a constant check up to see that the regulation be observed.

Mandamus on Racine Contracts

RACINE, WIS., June 6.—The Northwestern Casualty & Surety has fled a petition for mandamus to compel Mayor Armstrong and other city officials to execute contracts for the construction of the West Sixth street bridge and a bridge over Sylvan pond in Mound cemetery.

The company says it executed a bond for \$112,000 for the West Sixth street bridge and another for \$90,000 for the cemetery bridge, for the Zendela Construction Co., which has the contract for building the bridges.

It is alleged that the city officials refuse to sign the contract as submitted by the Zendela company unless it obtains another bonding company. The Northwestern Casualty & Surety further claims that it has made attempts to have the city officials sign the contracts but that it has been unsuccessful.

Illinois Mutual Casualty Figures

The 1928 Argus Casualty Chart shows for the Illinois Mutual Casualty, Peoria, Page 113, total premium income as \$201,075, whereas it should be \$210,728. This error makes it appear that the company had expended more than it had taken in in 1927, whereas the reverse is true. The error was caused in compilation because of a misunderstanding of the items included in income.

Plan Meeting on Compulsory Law

BALTIMORE, June 6.—Commissioner Benson of Maryland is planning to call a meeting of all interested in a compulsory automobile insurance law as soon as he hears from Commissioner Monk of Massachusetts. He has written to Mr. Monk asking him to send a copy of his report on the working of the law in Massachusetts and as soon as this report is received the meeting will be called.

Take One Part Common Sense and One Part Statistics

and you'll find that **NOW** is the time to push
Automobile Insurance

A common sense knowledge gathered from everyday experience tells you that people buy automobiles in the Spring with the advent of pleasant weather. And so you naturally figure that the spring months are the best for Automobile Insurance.

Now turn to cold facts—statistics. You'll find from the national records that the peak on retail automobile sales comes in March, April and May—36% of the year's total sales in those three months. Then June with 9%, July 9%, August 10% and September 9%.

Next examine Automobile Insurance sales and learn that April, May and June represent the peak—34%—with the summer months next in importance.

Common sense and statistics agree. Use them both. Push Automobile Insurance now when new car owners need it.

Indemnity Company of America ST. LOUIS, MO.

CH. A. LEMP, President
HENRI F. DAVID, Vice-President

WM. J. LEMP, V. Pres. and Treas.
SAM G. PARKS, Secretary

"Writing Only Automobile and Aircraft Insurance"

CASUALTY REINSURANCE AND EXCESS EXCLUSIVELY

With exceptional satisfaction and success, we are devoting our entire underwriting capacity to the service of casualty carriers requiring Reinsurance outlet.

Many accounts which we opened with Reinsureds in the first years of our operations, "before the war", still persist, steadily increasing in volume and in mutual value. Cancellations have been rare events. This we take as proof of satisfaction.

Inquiries and consultation are cordially solicited. Either of our offices will render "return-mail" service.

EMPLOYERS INDEMNITY CORPORATION

E. G. TRIMBLE, *President*

HOWARD FLAGG, *Vice Pres.*

HOME OFFICE — KANSAS CITY

CHICAGO
166 W. Jackson

NEW YORK
85 John St.

TEXAS LOCAL AGENTS NUMBER

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

FRIDAY, JUNE 8, 1928



Then

**Republic's
Twenty-Fifth
Year**

Statement of Commonwealth Fire Insurance Co.— the beginning of the organization.

1903

Assets

Cash in Banks and Office.....	\$ 83,885.57
Loans on Real Estate, First Mortgage.....	43,250.00
Agents' Balance in Course of Collection.....	4,559.46
Stock, Notes and Subscriptions.....	124,085.50
Accrued Interest on Loans and Stock Notes.....	446.12
Office Maps, Furniture and Supplies.....	1,078.50
Total Assets—January 1, 1904.....	\$257,305.15

Liabilities

Capital Paid in and subscribed.....	\$208,600.00
Reserve Fund for Unexpired Risks.....	6,056.58
Reserve Fund for all other Claims.....	847.05
Losses Unpaid and Unadjusted.....	None

NET SURPLUS

Over Capital and all Liabilities.....	41,801.52
Total.....	\$257,305.15
Surplus to Policyholders.....	\$250,401.22

Officers and Directors

J. B. Adoue, President National Bank of Commerce, Dallas—Secretary
T. W. Gregory, Attorney, Austin
John S. Heard, Capitalist, McKinney
I. Jalonic, Dallas, President
James Moroney, President, Moroney Hardware Co., Dallas
F. A. Piper, President F. A. Piper Co., San Antonio, Vice President
Alex Sanger of Sanger Bros., Dallas, Vice President
M. Sansom, President Stockyards National Bank, Ft. Worth
G. H. Schoellkopf, President G. H. Schoellkopf Saddlery Co., Dallas
Charles Schreiner, Banker, Kerrville
C. C. Slaughter, Vice President American National Bank, Dallas
E. O. Tenison, President City National Bank, Dallas

Republic Insurance Company—

Present Organization Guaranteeing Austin, Commonwealth and
International Underwriter Policies.

1928

Assets

First Mortgage Loans.....	\$2,368,695.47
U. S. Bonds and Treasury Notes.....	1,170,250.00
Dallas Joint Stock Land Bank Bonds.....	250,000.00
Federal Land Bank Bonds.....	200,000.00
Other Bonds and Stocks.....	484,559.57
Collateral Loans.....	22,900.00
Cash in Banks and in Agents' Hands.....	613,967.03
Due from other Companies.....	35,900.84
Interest Accrued.....	106,641.46
Home Office Buildings and Grounds.....	42,000.00
Other Real Estate.....	139,472.95
Total Assets.....	\$5,434,387.42

Liabilities

Capital Stock.....	\$2,000,000.00
Premium Reserve Fund.....	1,382,415.13
Confederation Fund.....	500,000.00
Reserve for Taxes 1927.....	141,420.30
Reserve for Losses Incurred.....	117,759.44
Reserve for Reinsurance Balances.....	90,686.10
Net Surplus.....	1,202,106.45
Total Liabilities.....	\$5,434,387.42
Surplus to Policyholders.....	\$3,702,106.45

Officers and Directors

J. B. Adoue, Jr., President National Bank of Commerce, Dallas, Vice Pres.
Alex Coke of Coke & Coke, Attorneys, Dallas
Royal A. Ferris, Investor, Dallas
Edgar L. Flippen, President Flippen-Prather Realty Co., Dallas
T. W. Griffiths, Griffiths Lumber Co., Dallas
J. S. Heard of J. S. & S. D. Heard, Investors, McKinney
Geo. W. Jalonic, Chairman Board of Directors, Dallas
I. Jalonic, President, Dallas
M. A. Joy, Investor, Terrell
George Miller, Cashier National Bank of Commerce, Dallas
Ira T. Moore, of Moore & Co., Dallas
F. B. Pope, Investor, McKinney
C. C. Slaughter, Jr., Cattle-Lands, Dallas



Now

**Republic's
Twenty-Fifth
Year**

Introducing
The Newest Member of the Fireman's Fund Group
Occidental Insurance Company
of
California
To Texas Local Agents

Capital
\$1,000,000



Surplus
\$2,000,000

The Company has now been licensed to transact business in the State of Texas. We should be pleased to have applications from Agents in Texas desiring the representation of the Occidental. It is our purpose to furnish the same character of service and facilities that are being enjoyed by the five hundred Texas Agents now representing the Fireman's Fund and Home Fire and Marine Insurance Companies.

Fire
Marine
Inland
Ocean
Motor Transit

Tornado
Hail
Automobile
Use & Occupancy
Rents

Leasehold
Riot & Civil Commotion
Explosion
Earthquake
Sprinkler Leakage

TEXAS SPECIAL AGENTS

DON L. CHAPMAN, N. E. Texas
 807 American Exchange Bank Building,
 Dallas, Texas.

F. GRAY FOY, N. W. Texas
 807 American Exchange Bank Building,
 Dallas, Texas.

P. L. PITTS, S. E. Texas
 306 Gulf Building,
 Houston, Texas.

H. A. YARBROUGH, S. W. Texas
 308 Moore Building,
 San Antonio, Texas.

MARINE DEPARTMENT

W. S. PEARCE,
 1111 New Orleans Bank Building,
 New Orleans, La.

FIREMAN'S FUND INSURANCE COMPANY
HOME FIRE & MARINE INSURANCE COMPANY
OCCIDENTAL INSURANCE COMPANY



Southern Department
CHAS. A. BICKERSTAFF } Joint Managers
EDGAR T. GENTRY }
FRANK A. SEWELL, Assistant Manager
RUSSELL W. MICHAEL, Agency Superintendent
Hurt Bldg., Atlanta, Ga.



The National Underwriter

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EXTRA EDITION 25 Cents a Copy

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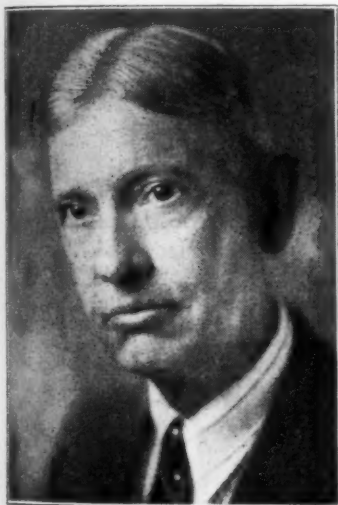
TEXAS AGENTS
NUMBER

Extends Regional Organization Plan

Texas Association Now Has Ten Regional Vice-Presidents
Instead of Seven—Charles L. Duncan Is Elected President

New President's Career

CHARLES L. DUNCAN of Mount Pleasant, who was elected president of the Texas Association of Insurance Agents at the Austin meeting, is a native born Texan. He operates a very successful local agency in his home town, and has been an active member of the Texas association for the past 25 years. He has been a regular attendant at the meetings, and has served on important committees. For the past two years he has been a direc-



C. L. DUNCAN, Mt. Pleasant
New President Texas Association

tor of the association. He has had a very active life. Before entering the insurance business, he was with a large compress association, serving as general superintendent in Texas and Oklahoma. He has served on several state committees, and was mayor of his city for a number of years. He is now president of the Chamber of Commerce and president of the Rotary Club. He is also a director of the East Texas Chamber of Commerce and secretary and manager of a thriving building and loan association.

Mr. Duncan is well and favorably known to the agents in Texas. His administration will be a successful one.

Burton Has Given Excellent Service

Fred M. Burton of Galveston, who retired at this meeting as president of the Texas association, has served the organization the past year in a very faithful, intelligent and able manner. Without in any way detracting from the

NEW OFFICERS ELECTED

PRESIDENT

C. L. Duncan, Mount Pleasant

VICE-PRESIDENT

F. M. Coleman, San Antonio

SECRETARY-TREASURER

D. G. Foreman, Fort Worth

BOARD OF DIRECTORS

C. L. Duncan, Mount Pleasant; R. W. Thompson, Dallas; F. M. Coleman, San Antonio; R. S. Grieg, Waco; W. Tucker Blaine, Houston; D. C. Crowell, El Paso; C. H. Walton, Fort Worth.

REGIONAL VICE-PRESIDENTS

District 1, B. V. Greever, Wichita Falls; District 2, L. B. Shaver, Denton; District 3, C. H. Roberts, Beaumont; District 4, E. M. Polk, Corsicana; District 5, Marcus Phillips, Kingsville; District 6, J. C. Echlin, El Paso; District 7, George S. Williams, Amarillo; District 8, G. K. Wines, Marshall; District 9, Russell R. Trimble, San Angelo; District 10, J. G. Seiders, Taylor.

LEGISLATIVE COMMITTEE

G. Mabry Seay, Dallas, Chairman. Marcus Phillips, Kingsville; J. Lambert Lain, Cleburne; E. E. Freyschlag, Eastland; J. W. Armstrong, Taylor.

merits of those who have preceded Mr. Burton in the office as president of the Texas association, it can be truthfully said that Mr. Burton has proved to be one of the most able men to occupy that position. He not only has the love and esteem of the Texas agents, but the National association has also recognized his many fine qualifications and ability. At the annual meeting of the National association Mr. Burton was called upon to deliver an address, and at the mid-year meeting in Memphis the national officers picked out Mr. Burton to act as chairman of one of the most important committees functioning at that gathering. Mr. Burton seems to have everything that goes to make for a high grade executive, and is excellent timber for the inner circles of the national body.

Traveled 25,000 Miles to Regional Meetings

He presided at all sessions of this year's meeting in a most efficient manner. He displayed excellent tact and judgment at all times. He kept things moving along at a lively clip throughout the meeting. During the past year, as president, Mr. Burton in company with Secretary Foreman and T. M. Campbell, Jr., has traveled no less than 25,000 miles in Texas, attending the various regional meetings that were

held. He has given a great deal of his time in the interest of the Texas association, and has made many sacrifices for the agents of Texas. His work has been appreciated by all of those engaged in the insurance business in Texas.

Austin Exchange Gives Luncheon Thursday Noon

Thursday noon luncheon was served to all those in attendance. The Austin Insurance Exchange was the host. O. H. Millican, president, was master of ceremonies. In addition to a splendid meal, those present enjoyed an excellent musical program. Mrs. Fannie Mae Stinnett rendered some vocal selections. Carl Lungren, who is associated with the State Fire Insurance Commission, sang several songs, which were well received. The Friendly City Quartet, composed of M. E. Horner, A. C. Bull, H. W. Griffiths and Al De Viney, rendered some very popular selections.

Craig Balk, Houston, former president of the Texas association of Insurance Agents and a former member of the executive committee of the national body, who is at present a member of a conference committee of the National association, made the trip to Austin and took an active part in the proceedings. His work was appreciated by all members of the association.

State Redistricted

WHAT is believed to be a forward step and one which will mean much to the development of the Texas Association of Insurance Agents was taken at this year's meeting, held in Austin Thursday and Friday. The state has been redistricted and there will now be ten regional vice-presidents. Each of these vice-presidents will have a district.

That the holding of regional meetings is a wonderful thing to create interest



FRED M. BURTON, Galveston
Retiring President Texas Association

in association affairs has been proven by the Texas agents during the past year.

A year ago the organization appointed seven regional vice-presidents, and mapped out a program for the holding of regional meetings during the year. Eight such meetings were held and each meeting was highly successful. Subjects of interest to the agents were discussed and a greater interest has been manifested in association affairs by the many agents who attended these regional gatherings.

Brought About Healthy Increases in Membership

President Burton, Secretary Foreman and T. M. Campbell, Jr., fire insurance commissioner, attended all of these meetings. They traveled over 25,000 miles, holding meetings in various parts of the state. The membership at this time shows a very healthy increase. At this year's meeting there were many agents present from the small towns. Practically all of these agents became in-

terested in association affairs through their attendance at the regional meetings. The success of the regional meeting plan has been proven beyond a doubt. The officers are going a step further in that besides having the regional vice-presidents scattered throughout the state, there will be a key man chosen for almost every town. These key men, the regional vice-presidents and other officers will be working hand in hand throughout the year for the betterment of the association.

Keen Interest Shown in Convention Session

One of the most pleasing features at this year's gathering was the interest shown by those in attendance. The agents attended all the sessions and took a lively interest in the proceedings.

The Texas agents are not unmindful of the fact that the matter of commissions is a most important one, and they are giving this subject their most serious thought.

The Texas legislature will meet in January, 1929, and it is the fond hope of the association men that at that time the state body will be in the strongest



W. E. HARRINGTON, Atlanta
President National Association

position it has ever occupied. It is the urgent hope that during the next session of the legislature a license bill may be acted on favorably.

The Texas agents this year were privileged to listen to a most able address by W. E. Harrington, Atlanta, president of the National Association of Insurance Agents.

The address of R. B. Cousins, Jr., chairman of the Board of Insurance Commissioners, setting forth some of his observations on the local agency situation, was one that will long be remembered by those present. The Texas association believes that the time is not far distant when those agents who are now members of the Country Agents' Association will be joined with the state body and all agents in Texas banded together under one flag.

A new dwelling policy form has been approved by the State Insurance Commission and the Texas association urges the cooperation of agents with their companies in getting this new form put into use.

In resolutions adopted the agents go on record as condemning the practices of some companies in operating their local agency business in some towns of the state by salaried employees rather than through the usual agency system, and they urge the continuation of efforts by the agents for the repeal of the valued policy and anti-coinsurance laws. It is the opinion of the Texas agents that these two laws are directly responsible for a large part of the fire waste of the state. The association is opposed to the

RESOLUTIONS ADOPTED

We desire to congratulate the officers of the association for their very efficient work during the past year, especially in the increase of membership and interest; their untiring efforts in making the regional meetings successful, and most especially do we commend their efforts to bring about a better understanding between this association and the Country Agents' Association. We note with keen interest the spirit of harmony and avowed expression of willingness to cooperate on matters of mutual interest in the future, looking forward to the time when all the agents of Texas are to be banded together and sail under one flag.

We commend the association, which through a special committee has drafted a new dwelling policy form that was approved by the State Insurance Commission last October, and urge the cooperation of agents with their companies in getting said new form into use.

We urge the state officers to take whatever action that is necessary to the end that all mutuals, reciprocals and companies of like character be required to conform to all laws, rules, regulations and taxes to which stock insurance companies are now subject. It is with profound interest that we observe several important resolutions passed at the several Texas regional conventions, and it is the sense of this association that the following be approved and put into action:

The officers and committees of your association are desirous of being of as much service as possible to all agents of this state. We therefore urge the importance of agents throughout the state taking no individual action in matters relating to the laws, schedules, forms and other matters affecting the business throughout the state and urge them to take up such matters with the officers of this association.

We recommend and endorse the formation of local boards or exchanges and that they be requested to include in their constitution and by-laws a provision that members of such boards or exchanges shall also be members of the state and National associations.

We urge agents of this state to use every legitimate effort and influence to assist the incoming officers, committees and state authorities to have enacted at the next session of the legislature a law which will give the proper state authorities some discretion in the matter of issuing licenses to agents.

We heartily endorse and appreciate the most excellent cooperation and services being rendered by our state insurance officials, and we hereby pledge them the continued support and cooperation of the members of this association.

The relation of the Bank of Italy to the insurance business in California is not looked upon with disapproval, but we also desire to charge the officers of our association with the special duty of quarantining Texas against the spread of this disease. Our sympathy goes out to the California Association of Insurance Agents in its struggles during such a crisis.

We reiterate expression of our belief in the efficiency of the American agency system as the best possible means of serving the public and our faith in its supremacy; we wish to warn the insurance agents of the country that without organization, such as our state association and National association, their prosperity would be in danger.

We condemn the practices of some companies in operating their local agency business in some towns of this state by salaried employees rather than through the usual agency system.

We urge the continuation of efforts by the agents of this state to have repealed the valued policy and anti-coinsurance laws. We are still of the opinion that these two laws are directly responsible for a large part of fire waste of this state.

This association is opposed to the enactment of any form of compulsory automobile insurance law. We believe that the operation of similar laws in other states demonstrates the fact that the public can better be served through the medium of stock insurance companies issued through local agents, and we urge agents of this state to oppose such legislation.

We urge the incoming officers of our association to continue the organization of Regional Districts and recommend that they give all necessary assistance to the officers of the various regional districts in their regional meetings.

The Dallas "Morning News" of June 7, 1928, carries in an editorial headed "Compensation of Fire Insurance Agents." This editorial reflects on the integrity of the insurance agents of this state in the following language:

"He is not interested in the outcome of the risk which he fastens on his company in issuing its policy. Whether the property so insured is destroyed or not is of no financial concern to him; his reward is the same in either case."

The Texas Association of Insurance Agents in convention assembled protests against the aspersions in this editorial, and believes that the writer of this editorial is unfamiliar with the facts as they actually exist in our business. We recommend that the incoming officers of this association furnish the Dallas "Morning News" with a copy of this resolution and advise them that the agents of this state are among its best citizens, and do not, knowingly, write any risk for the sole purpose of obtaining a commission.

It is a well known fact that the agents of this state have always given freely of their time, money and efforts and have been the organized force in this state in the cause of fire prevention.

MARCUS PHILLIPS, Chairman Resolutions Committee.

enactment of any form of compulsory automobile insurance law, believing that the public can be better served through the medium of stock insurance companies through their local agents, and the agents are urged to oppose any such legislation.

The Texas agents feel that the state officers should be urged to take whatever action necessary to the end that all mutuals, reciprocals and companies of like character be required to conform to all laws, rules, regulations and taxes

to which stock insurance companies are now subject.

Santa Fe Situation In Texas Cleared Up

Those in attendance at the meeting were much pleased by the announcement of President Burton that what is known as the Santa Fe Railway situation has been cleared up.

It appears that the Santa Fe railroad

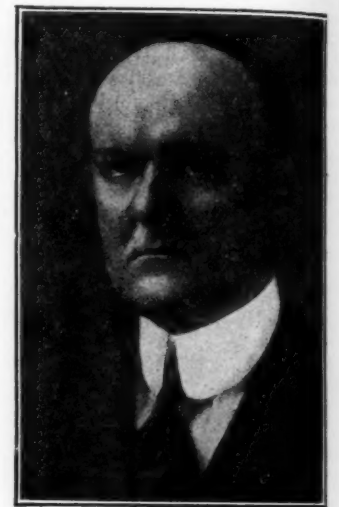
had instructed its various departments in Texas to have all its insurance, including fire, bonds and compensation, carried outside of the state. When this matter came to the attention of the officers of the state association, the officers immediately got busy in an effort to procure this business for the local agents in Texas. Their efforts were successful. Mr. Burton said that he had just been informed that the general counsel of the Santa Fe had instructed its offices in Texas to cancel the contract now in force with Marsh & McLennan of Chicago.

Convention Committees

The auditing committee was composed of Evans Keeling, Dallas; C. H. Eckford, El Paso, and John K. Boyce, Amarillo.

The resolutions committee had as members Marcus Phillips, Kingsville; G. M. Seay, Dallas; J. C. Echlin, El Paso; A. D. Langham, Houston; H. A. Lawrence, Fort Worth; F. F. Ludolph, San Antonio; L. O. Jarrell, Houston; H. Bull, Austin; E. M. Stallings, Bowie; E. T. Arnett, Goose Creek; R. L. Gallaway, Georgetown.

On the nominations committee were:



G. M. SEAY, Dallas
Chairman Legislative Committee

C. H. Walton, Ft. Worth; E. B. Norment, Paris; Davis Stribling, Waco; D. S. Montgomery, Galveston; Al Clemmer, Corpus Christi.

Harrington Loses Luggage

On his trip to Austin from Atlanta it became necessary for President Harrington to change trains. On one such occasion a porter inadvertently placed Mr. Harrington's traveling bag on the wrong train and Mr. Harrington awoke in Austin minus much of his wearing apparel, which necessitated his patronizing a local merchant in Austin, procuring clothes suitable for the weather. It was rather warm in Austin during the meeting. By evening, however, Mr. Harrington had recovered his belongings and appeared on the dance floor in his customary resplendency.

Field Men Commended

Secretary-Treasurer Foreman said that it has come to his attention in soliciting members that there have been a few cases where a field man has told an agent not to join the state association. Mr. Foreman said that many of the field men are helping a great deal in obtaining members, but that some are evidently not so strong for the association. Mr. Foreman believes that where a company man goes to the extent of advising an agent not to join the association, it is pretty evident that the special agent has had a run-in some place along the line, and that any company man who does this is doing it for a selfish purpose and is trying to hurt the agent.

Observations on Agency Situation

By R. B. COUSINS, JR.
Chairman, Texas Board of Commissioners

THE hardest task in all the world that I know of now is to be a "good" insurance agent as the business is now organized. Accomplishment of the ideal in an insurance agent is quite impossible. The reason is that you are human. You gentlemen are agents. You are representatives of other people who are your principals. You are the points of contact between the insurance carriers and the insuring public. You speak and act for your companies in the transaction of insurance business. You sign your name at the bottom of the policy of insurance which you deliver to the property owner and your company is bound by the contract evidenced by that policy exactly as you have written it. You subject your company to liabilities in aggregate amounts which are positively astounding. You make representations to the policyholders with reference to what the company will or will not do, or what the company will demand or what it will not demand, and your company is bound by those representations. You are, in other words, an agent in all of the significance and in all of the elements which that term, as a legal term, implies.

Fundamentally Agent for Company on Present Basis

And yet I see evidences almost daily of the revolt on the part of the insurance agents, as expressed through their leaders, against this fundamental idea. There is no effort apparently being made on the part of many of the insurance agents and associations of insurance agents to set themselves up as being engaged in a business separate and apart, not connected with the business of their principals. There seems to be a feeling, which I am not able to define with accuracy, that you have advanced to the dignity of an independent branch of the insurance business and an effort is apparently being made to change your name from "an insurance agent" to "an insurer."

I want to say to you that so long as the business is connected on the basis of its present organization you cannot be, and never will be, anything but agents of insurance companies and, in the eyes of the law and in the eyes of the courts, you must continue to be the representatives of your principals who are in the insurance business. I do not mean to belittle or degrade you in your own estimation or in the estimation of the public when I say that. You have a dignified, honorable and important function to perform in supplying insurance needs of the public, and there is nothing in that relationship of which you ought to be ashamed. I do not speak of it in this view, but what I am trying to do is to drive home the fact that, after all, you are agents representing other people in the business.

Agent More Interested in Client Than in Company

This undercurrent of dissatisfaction at the name "agent" and the effort to define yourselves as independent units in the business and to disconnect yourselves, so to speak, from the companies is, as I analyze the situation, an outgrowth of a realization that you are not any longer the agents of the companies but have drifted to a place where you more largely represent the assured. You know something is wrong, but you have not yet found what it is. As I see the situation, the agent has come to have more interest in the property owner than he has in his company. The agent has more solicitation for the welfare of the property owner than he has for the welfare of his company. The agent looks with less concern to the protection of the insurance company than he does to the

protection of the policyholder. If, in dealing with a policyholder, a question arises which may be decided fairly in favor of either the assured or the company, the agent sees to it that the assured gets the benefit of the decision. A doubt is always resolved in favor of the assured. The agent has transferred himself from the side of his principal to the side of the other party to the contract with whom he ought, in all good conscience, to deal at arm's length.

I do not mean that he ought to be unfair or that he ought to be niggardly or parsimonious in dealing with his assured but he ought to stand up and insist that the insurance company actually have and enjoy whatever rights may be accorded to it under the contract and under the statute, and he ought to deal across the table and at arm's length with his assured. He owes to the assured no duty of protection or representation, he does owe to the assured honesty and fair dealing and that is all.

Agent Undertakes to Serve Two Masters

As I see it at the present time, this situation is one of the fundamental troubles in the insurance business. No man can serve two masters, and no truer statement ever proceeded from the mouth of a philosopher. Yet the insurance agent is undertaking to do that very thing. That is why I say a "good" insurance agent is impossible. It is objected that the insurance company can take care of itself but that somebody must take care of the assured. That may be true, but it ought to be somebody other than the man whose primary duty is, in any law that I know anything about, to his principal. I have no brief for the insurance companies and I am not undertaking to fight their battle. I can have somewhat to say to them when occasion demands, but I do believe that every institution is entitled to the unswerving loyalty of its trusted representatives in the field whom it pays to look after its interest and not the interest of the man that is dealing with it across the table.

Agent Should Represent the Property Owner

When you gentlemen step out into the insurance field with an insurance agent's license in your pocket you are

not the proper person to represent the assured. Here is my suggestion: You ought to stop representing the insurance company and, openly and without reservation or restriction, represent the property owner. You ought not to have the right to sign and deliver an insurance policy. You ought not to represent any particular company. You ought to represent the assured as a broker and place business with what companies you could on an over-counter basis, offering the policy for acceptance or rejection to a salaried home office official of the company. You ought to trade hard to get the best service you can for the assured.

There is in the life insurance law an article which expressly forbids any officer of the company to be interested in any way in the commission on a policy of insurance written by his company. The reason for this is that it is quite apparent that a man who is interested in getting business placed because of the commission which he will receive on the premium paid is not a proper person to pass upon the acceptability of the risk. The reason for that lies deep in human nature, and human nature is the same in the fire insurance business and in the life insurance business. It is a mistake and an anomaly to permit an agent to bind his principal on a risk in a business of this sort which needs such careful selection when the question of whether the risk is written or not means a difference between dollars and cents in the agent's pocket and when, after the policy is actually written and becomes an obligation of the company, the agent has no further obligation.

Payment of Commission Makes a Great Difference

As it has been suggested to me, it may be that one day an agent will be willing, openly and notoriously, to denounce some property owner as wholly unfit to have insurance and as nothing but a low down yellow cur and, on the next day when that same property owner walks into his office, asks to be covered with insurance and tenders the payment of a large premium carrying with it a handsome commission, the agent's opinion of that person will promptly change and, upon closer inspection, he will decide that the yellow streak he saw in the applicant on yesterday is veritably nothing but the pur-

est gold. Recently the attorney general held that a school trustee who is also an insurance agent cannot place insurance on the school property. His reason was that a trustee ought to represent the school and an agent ought to represent his company, and that no man could do both. The attorney general is right. Yet you gentlemen undertake it daily. There may be a few exceptions, and I am willing to admit that each of you is not guilty, but every one else is. If it were not so you would not get much business. My own opinion is that you gentlemen are on the wrong side of the table; you ought to have a license to represent the assured and you ought not to have authority to sign a company's name to an insurance policy.

Does the Agent's Work Justify Commission?

There is another phase of this question which is deserving of discussion and that, too, from a little different angle than that which is usually presented: the question of agents' commissions. This matter has been discussed for a long time and it probably will continue to be discussed for a long time to come. That the present situation in Texas leaves much to be desired is without question. Whether or not the proposal which recently has been made to fix a very low flat commission rate with a high contingent rate for good loss ratio would alleviate the situation I am not prepared to say. Whether the requirement that every agent charge every company in his office the same commission scale so that he would not prefer a high commission company on some classes of business to a low commission company would alleviate the situation, I am not prepared to say. Whether a flat commission over all without modification would help, I am not prepared to say. Whether a fixed scale mandatory for all the companies would help, when based on the average paid by all, I am not prepared to say. I do say, however, that the commissions which, in the aggregate, the insurance agents are receiving for their services at the present time are as high as they can be, in good conscience, and I am not at all sure but that the agent is getting more money for his services than he is worth. In saying that I am looking at it now from the standpoint of the policyholder and the public generally.

The insurance protection which the insurance company affords is worth something to the policyholder and he ought to pay it. The insurance service which the insurance agent renders is worth something to the policyholder and he ought to pay that. But whether the service which the insurance agent renders to the insurance public is worth 25 cents out of every dollar that the public pays for insurance protection is, in my judgment, very highly questionable.

More Cheaply Accomplished in Home Office

I have a house in Austin on which I carry policies of insurance at a premium of approximately \$50 per year. I assume that my good friends, the agents who write this business, receive \$12.50 per year out of the \$50 which I pay for that protection. Is it worth to me, as a buyer of insurance, \$12.50 per year merely because I permit those gentlemen once a year to write a policy of insurance on that house? Have they performed a service to me commensurate with what I paid them? They have made no inspection of my property, they have made no suggestion with reference to the improvement of the property from the standpoint of fire prevention.

(CONTINUED ON PAGE 14)



C. H. WALTON, Fort Worth
Former President Texas Association



D. G. FOREMAN, Fort Worth
Secretary Texas Association

Past and Future of the Association

By **FRED M. BURTON**
Retiring President, Galveston

A GREATER and growing interest in the work of our association is manifest all over the state. Many younger men have evinced a desire to participate in the responsibilities of carrying on and enlarging the work we can perform through cooperation of numbers and coordination of efforts. I predict that the day is much closer at hand than some may consider possible, when the Texas Association of Insurance Agents will be the largest of its kind in the entire United States.

In this prediction I want to emphasize another goal, we must never lose sight of the fact that we need the cooperation and assistance of the companies as much as they need ours, and I am sure my successor and his officers will strive to keep intact that friendly feeling between the agents and companies, which is the cornerstone of our success.

Regional Key Men Are Recommended

I recommend that my successor appoint key men in towns in each region to keep in touch with the state association's work along all lines, in order to pass the information along to every agent.

I recommend that at this meeting the bylaws be changed so as to provide for 10 regional districts in Texas, instead of seven, and the chair would like to entertain a motion following this report, authorizing him to appoint a committee to work this out.

Another recommendation I desire to make is when these regional meetings are held next year that if possible all the regional vice-presidents, as well as the presidents of the local boards and exchanges, in which region that particular meeting is held, be invited to attend and discuss their problems prior to the regional meeting. When they return home they can report to the members of their exchanges and fellow agents in their home towns what has transpired and what constructive programs are being considered so that every insurance agent in the state can, if he will, be thoroughly posted and feel more than he has felt in the past, that this is his association and that the life and development of the American agency system is a very vital and important part of his business life.

Must Keep Ideas and Policies Before Membership

Let me emphasize one point; this is your state association, and the agents

you elect to hold offices must keep the state association ideas and policies all the time before the membership without anyone on the outside using the meetings for their own benefit. The thought is to make the state association so strong in Texas that when our business is attached every agent will have the thought to rally to the support of our organization as a whole. In the past some company representatives have seen fit to explain in a manner disparaging to our association, matters in which the state association was deeply interested for the benefit of small and medium town agents, as well as big town agencies. There are over 2,000 licensed insurance agents in Texas, and what a power would be ours if every man and woman licensed by our commissioners to solicit insurance in Texas were a member of this association.

Many Country Agents Association Members Present

A few weeks ago a conference was held in San Antonio between representatives of the Country Agents Insurance Association of Texas and our association, having as its object the bringing together of the members of these two organizations for the purpose of working out our common problems together. That this will be the result of this conference, all those who attended it are confident and I am happy

to say that many of the members of the country agents association are present with us today and we hope as each regional meeting and annual convention is held that more of these leaders in our profession will throw in their weight and power with us.

Dwelling Form Policy Drafted by Officers

I wish to call to your attention the drafting of the new dwelling policy form, which work Commissioner Campbell asked your officers to undertake last October and I want to congratulate G. K. Wines of Marshall for the very thorough manner in which that work was performed. It is to be hoped that every licensed agent will request the companies he represents to supply them with the new policy form which was adopted by the fire insurance department eight months ago.

The questionnaire which emanated from Commissioner Cousins' office this spring should receive the wholehearted support of every licensed insurance agent and company in Texas so that in due time an agent's qualification law with reasonable safeguards to regularly established agencies may be placed on the books of our state.

The automobile club insurance evil is growing in our midst daily, and unless "eternal vigilance" is our motto and every instance of its appearance is reported to the officers of your associa-

tion and action taken by them to curb this bad practice, much valuable business to which we licensed agents are entitled, will be lost to us never to return.

I recommend that efforts be made by our association to see that both reciprocal and mutual policy forms and contracts conform to existing laws and court decisions.

Loan Associations' Actions Confront Insurance Agents

Activities of certain loan associations in Texas lending more money on improved property than the actual cost thereof, and demanding insurance protection in amounts equal to or even greater than the loans, is another of the perils confronting us. If this practice continues to grow, the resulting heavy losses most certainly will have to be borne more and more by the insuring public by higher rates and consequent increased premiums.

The legislative committee has been very active this year preparing for the work which they will be called upon to perform when the legislature meets.

Compulsory automobile insurance legislation has appeared in some states, but will that bring the proper protection? Is not the adequate supervision of highways the enforcing of qualification of drivers, the regulation of speed and insistence of proper brakes, lights and traffic signals a better answer to the problems involved?

Dance at Barton Springs

Thursday evening there was a dance and entertainment and barbecue at Barton Springs. This was a delightful affair. Barton Springs is located some little distance from town, among pleasant surroundings. Barbecued chicken was served. It was the consensus of those attending that they had never tasted better chicken. This is some compliment to those in charge of arrangements for this affair, as it is well known that Texans particularly, are excellent judges of this fowl. The barbecue was served at 7:15 and the dancing and entertainment begun at 9 o'clock.

Austin, which is known as "The Friendly City," lived up to its reputation in every way during the convention. The members of the Austin Exchange were excellent hosts. O. H. Millican, president, and the other officers and members were on the job continuously, and looked after the wants of their guests in good shape.

President Harrington Flays Non-Policy-Writing Agencies

"YOU may or may not know that great history has been written on the subject of branch offices and non-policy-writing agencies during the past 12 months," said President W. Eugene Harrington of the National association in his address to the Texas agents, "but the operation of these branch offices has carried a threat which meant that the non-policy-writing issue would be brought into practically every community in this country. So that at Memphis we adopted a resolution dealing with the system of branch offices and non-policy-writing agents. I commend that resolution to your thought. It is the first time that a milestone has been put down on those two subjects, sub-

jects of vital interest to every agent. It is one of the biggest threats we had to face us in years, and the National association has written that as a plank in its platform, and it is going to take it upon itself to see that that plank is observed to the full extent of our ability.

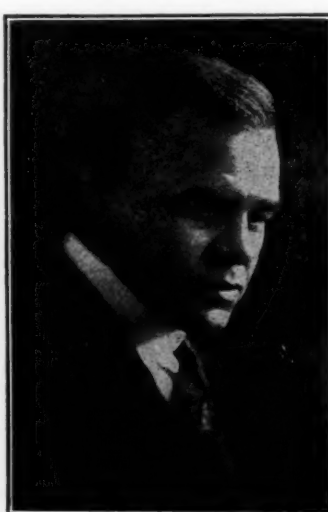
"It is time for state association and national association to cease taking arbitrary actions or rushing to the legislature to correct their problems. It is time for the companies to sit down together and give some thought to the agency end of the business, and to see what can be done toward directing their decisions toward the upbuilding and strengthening of the American agency system, rather than tearing it down."



MARCUS PHILLIPS
Regional Vice-President



R. W. THOMPSON
Member Board of Directors



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Regional Vice-President

Texans-

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THE man who goes after Automobile premiums **RIGHT** is on the track that leads straight towards **SUCCESS**. For to be the leading Automobile Insurance man in your community means more than additional Automobile premiums. It means that you are making a real bid for the leadership in all Insurance Lines. To go after the Big Game of your community—the Automobile Insurance business—you need a company like the Universal Automobile—a company that specializes on Automobile Insurance—a company of a class whose agents every year are writing a greater percentage of the total Automobile Insurance.

Texans have not only the opportunity of representing an exclusive Automobile Insurance Company but a **HOME** Company as well. A few desirable territories are still open.

The Universal also has desirable agency openings in Oklahoma, Arkansas, Louisiana, Kansas, Colorado, California, Missouri, Tennessee, Indiana, Washington and Oregon.

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Tornado - - Cyclone - - Windstorm - - Hail - - Earthquake

Accidental Discharge of Water

Property Damage: Any Limits

Plate Glass

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A WORLD OF PROTECTION A SPECIALIZED SERVICE

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FRANK RIMMER, General Agent
COTTON AND MARINE INSURANCE
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Importance of the Organization of Local Insurance Exchanges

By **FRANK G. McELROY**
President Louisiana Insurance Society

WE cannot accomplish very much as individuals, but through our local exchanges and our state associations and our great National association, we are able to carry on the work of placing the insurance business on the high plane it deserves.

I presume you find in every city and town the insurance agent who refuses to join your exchange or your association because he does not like some particular member or officer. The real reasons are that he is too narrow and too tight to hold up his end of the string, furthermore, he does not want to be bound by any rules and regulations.

This man's membership in our association would benefit only himself and he needs the membership more than anyone else. He needs the association to broaden him out, to make a man of

some sort of organization of its insurance agents, whose business it should be to see to the interests of the insuring public in their community, to promote good practices in their business, become better acquainted with each other and by frequent meetings to re-avow themselves to "tote" square with each other. There is enough business in any community for all, and one's self-respect should at least give him the desire to be honorable and upright in his business dealings. During my experience in the insurance business I have frequently found that the fellow that thinks that every competitor is a crook and that he is the only honest agent in his community will usually bear the closest investigation and watching.

Insurance Poorest Organized Business

The insurance fraternity in the United States today, as a classification, is the poorest organized of any business that I know of. Do you realize what the insurance agents of this country represent in numbers, in wealth and in our civic life? For example, take your own town or city and select any agency; take that number of employees and the associates in the business, including the agent, and figure just how many people are dependent upon that business for a livelihood. Figure that agency's activity in civic affairs, church life, club life and political. Then, if you will estimate the same with every agency in your city, you can gain some idea of the power and influence of the insurance agencies of this state and country were they to organize properly and bend their efforts toward the many good things they could accomplish.

With a competent and well organized state association we could cooperate with the legislators in making constructive laws on insurance matters, we would cooperate with the chamber of commerce, the automobile clubs, the fire prevention bureau and many other different organizations which we could not do if not properly organized. This means that we must organize our exchanges, join our state association and support same. Then through our state association join our National association and promote the insurance business throughout the entire United States and preserve our business upon the same business basis as other lines of business are handled.



FRANK G. McELROY, Shreveport
President Louisiana Insurance Society

him. His association with the balance of the membership, would do him real good. Our organization stands for the things that it should stand for. We believe in honesty, we believe in the proper practices of ethics, we want to do the right thing, we want to meet our brother agent on the level and treat him as we would like to be treated.

Every town and city should have

Texas Commissioners Commended for Work

The Texas agents are extremely fortunate in having as members of the Insurance Commission such men as R. B. Cousins, Jr., T. M. Campbell, Jr., and W. S. Pope. All of these men have been eminently fair in their dealings with the companies and the agents. Mr. Campbell, a former local agent himself, has taken a great interest in the association. He has been in attendance at all the regional meetings which have been held during the year. Several speakers took occasion to speak of the good work being done by the commissioners.

All the agents in attendance at the meeting were guests of the Insurance Commission at the headquarters Friday. This proved most interesting for the agents, as many of them were not familiar with the operations of the commission office.

Insurance Questions Given by Trinity Fire

The Trinity Fire of Dallas, Texas, gives some questions and answers regarding automobile insurance and other lines. Some of them may pertain to Texas itself, but they are very interesting. The list is as follows:

Q. Is it permissible to issue a policy covering theft, liability and property damage?

A. The basic coverages of an automobile policy are fire under the fire coverages, and public liability under the casualty coverages. A policy may be issued covering fire and any other peril, but a policy protecting the assured against theft and/or tornado must also include fire insurance.

* * *

Q. When it is not possible to ascertain the date on which a car was originally purchased, usually in the case of second-hand cars, how may the proper age group be found?

A. If the age of the car cannot be determined by the serial number, use May

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CONSERVATIVE PROGRESS EVERY YEAR

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1 of the year of model as the original purchase date.

Q. What is a semi-trailer?

A. A semi-trailer is a two-wheeled trailer attached to tractor without body by means of a king pin or fifth wheel. All two-wheeled trailers are not necessarily semi-trailers.

Q. Does the fact that an assured is bankrupt release the company from payment of claims under the public liability or property damage coverages?

A. No. Most policies contain the bankruptcy and insolvency clause, which obligates the company to pay regardless of assured's solvency.

Q. How do you determine the measure of damage to property capable of repair?

A. If the damaged property is capable of repair, the measure of damage is the sum it will take to put it in the same or as good as the same condition as it was immediately before the fire.

Q. Define the word concealment with respect to its use in the standard policy?

A. Bouviers Law Dictionary defines the word as "The improper suppression of any fact or circumstance by one of the parties to a contract from the other, which in justice ought to be known."

Q. If a truck has a variable capacity, from three and one-half to four tons, for example; which capacity is to be used in determining the proper rates?

A. The maximum capacity should always be used.

Q. What is uninsurable property?

A. Currency, accounts, bills, deeds, evidences of debt, money, notes and securities, all come under the head of uninsurable property.

Q. An assured owns a stock of merchandise located in several different buildings. How may he avoid paying the highest published rate at any given location, in insuring this stock?

A. The assured may obtain an average rate after making a sworn statement of the average annual values in each location, said statement being submitted to the State Fire Insurance Commission and average rate being duly promulgated.

Q. Where the assured, whose policy covers property damage, is involved in an accident and does not stop to render assistance to the owner of the other car damaged, which action causes the claimant to get in touch with the police authorities and chase the assured and apprehend him, the charge for this service by the police authorities being \$16.00, can this amount be considered as an item collectible by the assured from the insurance company carrying the property damage coverage?

A. This would not be an item considered collectible by the assured from the insurance company. It is not a liability

Local Exchange Officers Tell of Work Being Accomplished

FACING an enthusiastic and interested audience composed of about 350 insurance men, President Fred M. Burton called the meeting to order Thursday morning. The registration showed 219 local agents present besides some 50 or more guests and about 78 company men.

T. M. Campbell, Jr., fire insurance commissioner of Texas, delivered the address of welcome. Mr. Campbell has endeared himself to the hearts of the local agents of Texas. He told the agents that he wants to get in personal touch with them and do all within his power to help them. W. Tucker Blaine, of Houston, responded to the address.

President Burton in his annual address reviewed the work of the association during the past year. He commented briefly on the wonderful success of the eight regional meetings which were held during the year, and made some worth while recommendations.

At the suggestion of C. H. Walton of Fort Worth, a committee was appointed by the president to work out a plan providing for 10 regional vice-presidents for the coming year. Previously there were only seven.

Officers of Various Exchanges Make Comments

President Burton called on the officers of the various local exchanges through-

out the state. Among those who spoke briefly were: Arthur Griggs, Galveston; George D. Hodgson, Beaumont; R. L. Gartner, Houston; A. B. Swain, El Paso; C. H. Eckford, El Paso; Fred Pfaff, Waco; R. A. Caldwell, Corsicana; Al Ivey, Denton; Miss Mary Moody, Taylor; F. F. Ludolph, San Antonio; Lester Anderson, Texarkana; O. H. Millican, Austin; C. H. Walton, Ft. Worth; D. G. Foreman, Ft. Worth; Marcus Phillips, Kingsville, and Lambert Lain, Cleburne. They told of the good work that is being done through the exchanges in their various communities.

Theodore M. Webb, vice-president and underwriting manager, National Security Fire of Galveston, was called on. He said that he is one of the strongest supporters of the state association, and he is anxious to see the state body become strong enough to make the companies that will not "tote fair" come in line.

Just before adjournment Thursday morning, President Burton called E. B. Norment of Paris to the platform. Mr. Norment is a charter member of the Texas association and has attended almost every one of the annual meetings. He spoke briefly on the benefits of organization, and urged the members to lend their active support to the state association.

after the collision, by reason of an argument which ensued.

Ragland Unable to Attend

C. M. Ragland, Paris, one of the wheel horses of the Texas association, who up until a few years ago was a regular attendant at the regular annual meetings, could not attend this year. The association sent telegrams to this valuable man expressing regret at his inability to make the trip to Austin.

The committee appointed by President Burton for the redistricting of the state is composed of W. H. Miller, Happy; Zora Green, Del Rio; J. L. Compere, Valaska; W. J. Flanagan, Georgetown, and V. F. Roth, Switzerland.

The board of directors will decide on the time and place of the next annual meeting. Invitations were received from

several towns. Among them were Mineral Wells, San Antonio, Corpus Christi, Galveston, Del Rio, Houston and Denton.

Work of Reducing Limits Nears End

The work of the fire companies operating in Texas toward reducing the maximum amount of insurance carried on big risks, begun some two or three years ago, is about completed, according to general agents and field men. As a result the business in Texas is about on an "even keel" and is nearer the ideal than ever before.

The readjustment in Texas was accomplished, not without some inconveniences and losses at the beginning. One general agency in Dallas reported that it suffered a loss of some \$84,000 in premiums in the Houston district in one year as a result of the new program but that once the scheme began working the usual amount of insurance was sold and premiums collected. This general agency reported that while large amounts are not being written on risks, the insurance is being taken care of in several smaller policies.

Companies Went After "Big Policies"

According to the general agents and field men in Texas shortly after the war some of the big companies inaugurated a scheme of going after "big policies" and most other companies followed suit. The result was that the bigger the policy the better the companies liked it. Some of the smaller risks were passed up. They were left to agents catering to that line of business. The game became one of hunting for big risks and covering them for all they were worth. The companies, of course, had their reinsurance arrangements to take care of these large policies.

Then it was decided to abandon the big policy scheme. That may have been because of unsatisfactory reinsurance arrangements or because of heavy losses to the companies carrying the big risks. It was said these companies suffered pretty big losses because they had the bulk of the big business and the burning was general. Now, while the losses may be nearly as heavy, the claims are distributed among many companies and the loss ratios are not so heavy for certain companies.

It was said by the Texas general agents that the fire profit last year was not due so much to the fact that there had been a change in the policy regarding the maximum amount of insurance

An Agency Company

NATIONAL STANDARD FIRE INSURANCE COMPANY

HOUSTON, TEXAS

J. E. JOSEY
President

E. A. HUDSON
Vice-President

TOM F. CRUSE
Vice-President

MARRS McLEAN
Vice-President

GEO. M. FLINT
Sec'y-Treas.

J. E. JOSEY, JR.
Ass't Treas.

FIRE, TORNADO AND AUTOMOBILE (Full Coverage) INSURANCE

carried on one risk, but to closer supervision of the writing on the part of the general agents, field men and agents. The loss ratios have not been as heavy because the insurance men are not taking any and everything at any and all amounts offered. They are using judgment and writing business for what it is worth and if the risk is bad, they pass it up.

It was explained here that under the system of the "sky is the limit," a company would formerly insure a risk for \$100,000 if the plant was worth it, and the business would be distributed under reinsurance arrangements.

Under New System Losses Are Divided

Under the present scheme if property is worth insuring for \$100,000 the company formerly carrying the entire risk will not take more than \$30,000 worth, but other companies, usually handled by the same general agency, will take the remaining \$70,000. Hence, the insurance is written, the premiums collected and if the property burns, the loss is paid. But several companies pay the loss rather than one as in the past.

This scheme gives all companies a shot at the business and has resulted in most of the fire companies getting a fair line of business where they failed to get it under the old scheme.

In Texas the fire losses are about what they have been for years. The burnings are general, but it is noticed that in a good many cases property is uninsured. The companies in many of these cases had a chance to cover the property but refused because the risk was bad. That is what the general agents and field men mean when they say there is closer supervision of the writing.

The general situation in Texas is reported much improved as a result of the reducing of the maximum to be carried on risks. That there is a more even distribution of business, a better feeling among the fire insurance men and a nicer line of profits in sight for the future indicates.

Invite Country Agents' Association

The Texas association extended invitations to the members of the Country Agents Association to attend this year's meeting as their guests. Many of the members accepted the invitation, and were present during all of the sessions.

The banner regional meeting of the year from point of attendance was held at Amarillo. Agents from 51 towns were represented at that meeting.

L. B. (Red) Shaver not only made a fine impression in delivering his talk on farm business, but on Thursday evening at Barton Springs, where there was dancing, he distinguished himself by demonstrating the latest steps in the famous East Texas Clog Hop to the amusement of all those present.

W. E. Harrington, president of the National association, took occasion to compliment President Burton on his splendid work during the past year. He prophesies that Mr. Burton will go far in national association circles.

H. W. Bull was chairman of the general committee. He and his associates on the various committees performed in fine style.

George T. Wicker, who was chairman of the registration committee, was on the job continuously. He was ably assisted in this work by A. Howard Osborne, Harry L. Gray, Mrs. Myrtle Cloud, Miss Corinne Collins and Mrs. C. L. Cox.

Andrew Rose of Texarkana was unable to attend this year's gathering. He recently suffered an automobile accident.

Teaching of Fire Prevention in Public Schools of Texas

By MISS OLGA JUNIGER
State Fire Insurance Commission

It has been said that for a fire prevention program to be successfully conducted it requires engineering, education and enforcement—the "three-E" program, as it is called. An educational program has been conducted in Texas for a number of years and almost eight years ago the Texas Fire Insurance Commission offered a 3 percent reduction in the key rate of a city or town where fire prevention was taught according to a prescribed course of study. At present there are 453 cities and towns that have this reduction. This means that of the 1,370,000 scholastics in Texas one-fourth are receiving regular instruction in fire prevention.

The pupils of the intermediate grades are doing some very constructive work in the making of surveys, posters, etc. In one school I visited I found in one room a fire prevention bulletin board

for each month. The pupils brought accounts of fires, slogans and pictures cut from newspapers and magazines. These were placed on the bulletin board and a summary of these was made at the end of the month as to the value of property burned, cause of each fire, and much time was given in determining how each fire could have been prevented. Comparisons were made as to loss and causes of previous months.

Situation in High Schools More Difficult

Our greatest difficulty in keeping a real interest in this work has been in the high schools, due to lack of material that is adjusted to a high school course. However, the course in fire prevention has been correlated with so many subjects that it is being more effectively taught each year. One high school

made an excellent fire prevention survey as a civic project. A map of the city was used and certain pupils were assigned certain blocks to inspect. After carefully studying the home and mercantile inspection blanks and having notices in the local paper giving the object of this survey, the pupils went out to inspect the blocks assigned to them. The houses and surrounding premises were inspected, the doors were tagged noting the hazards found, duplicate reports were taken to the school, a summary was made and the hazards were marked on the map. Reports were given to the local papers of the records found. In about three weeks a reinspection was made and it was found that approximately 45 percent of the fire hazards had been removed.

Excellent Themes Written by Students

Thousands of excellent themes on different phases of the subject are written each year. A few of the subjects that I have noticed this year are: "How Fire Resisting Construction Will Reduce Our Fire Loss"; "Who Pays the Fire Tax"; "Dollars That Die." In one city prizes were offered for the best themes on "The Dangers of Over Insur-

A Fast Growing TEXAS Company

¶ The Southern Union Life Insurance Co. in the last three and one-half years, has increased the business in force nearly 50 per cent and the surplus 150 per cent.

¶ During January, February and March of this year it has increased its business more than 75 per cent over the same period last year. More than 87½ per cent of this business was issued within 24 hours after being received. Paid-for business in April, Tom Poynor's birth month, \$2,838,500.

THERE IS A REASON WHY

Southern Union Life's satisfied policyholders.

Southern Union agents have the advantage of writing both participating and non-participating insurance, including several feature policies that are unbeatable.

Southern Union Life's organization maintains a staff of highly trained men whose business it is to properly instruct those who lack some of the knowledge necessary to insure their success in the selling of life insurance.

The Southern Union Life has a very definite Expansion Program. This will mean more rapid progress than has been enjoyed by the company and those associated with and responsible for previous achievements.

There is still some very choice territory open in Texas and Oklahoma and will give consideration to opening new States. You can be sure of just the right guidance and inspiration in this organization of GO-GETTERS—the opportunity is here for real men.

ASSETS



MORE THAN

\$6,250,000



TOTAL BUSINESS IN FORCE



(LIFE AND ACCIDENT)

\$65,000,000

SOUTHERN UNION LIFE INSURANCE COMPANY

Fort Worth, Texas

J. L. MISTROT
President

TOM POYNOR
Vice President

ance." Part of one paragraph that I read was: "Don't tempt yourself by taking out \$3,000 worth of fire insurance on that house that is worth only \$2,000, for if you do you won't look back when you throw that match down to see if it is out but you will go ahead and hope it isn't."

Better Understanding by Adults Needed

For the teaching of fire prevention to accomplish the greatest good it requires a better understanding on the part of the adult. Here is where your cooperation is very much needed. Recently I visited a city and I found such a marked improvement in the work of the entire school and found an unusual interest in the part of the superintendent of the schools. Before I left his office he told me about a talk that had been made at a service club by one of the local agents and he was still carrying in a note book some of the facts and figures that he had taken from this talk.

Chamber of Commerce and Schools Cooperate

One of the most constructive fire prevention projects that I have found conducted in our state was conducted by the Chamber of Commerce, Parent-Teacher Associations and schools working together. The Chamber of Commerce furnished the home inspection blanks and these were filled out by the pupils of the schools and the Parent-Teacher Association from each school in the city furnished a committee to meet at the Chamber of Commerce rooms and check these surveys. Reports were then made to respective Parent-Teacher Associations and to local papers as to conditions found. You can readily understand how a combined effort of the schools, the homes, and the city can accomplish much good in a fire prevention campaign.

Up to the present there has been no direct method of reaching the rural schools, but many rural teachers make requests for literature and from general reports there are many teachers teaching fire prevention regularly in the rural schools.

Casualty Business Is Fairly Active in Texas

Most of the casualty lines in the state of Texas are fairly active, according to a canvass of a dozen or more company officials and general agents. That the amount of business could be increased materially if properly pushed by the agents, especially in the smaller towns, is the general opinion of the company officials.

The agents in the smaller cities and larger towns as a general rule write life and fire insurance and have been writing those classes for some years. They appear to be content to write these lines and pass up the more recently developed casualty coverages. They have not yet

Contingent Commission Plan Submitted Thursday Afternoon

DURING the past year, eight regional meetings were held by the Texas Association of Insurance Agents and were successful in every respect. H. A. Lawrence of Fort Worth, spoke briefly Thursday afternoon on the regional meeting which was held at Mineral Wells. The regional meetings held at Dallas and Tyler were reported by Dallas Smith of Dallas, the regional vice-president for that district. De Witt Jones, Houston, told of the regional meeting at Houston. Mr. Jones suggested that such meetings as these should be held oftener than once a year. He thinks it might be well to hold them about once every three months. The meeting which was held at Waco was reported on by C. H. Cox of that city. The Corpus Christi meeting was an interesting one. Al Clemmer detailed the happenings of that affair. Mr. Clemmer made a suggestion that it would be well to have a committee meet with the members of the Blue Goose to sell these men on the regional plan. It is felt that the field men could do much in putting over this idea among the local agents, as they make their rounds.

John K. Boyce, Amarillo, told of the Amarillo meeting, and J. C. Echlin, El Paso, outlined the work done at the regional meeting which was held in his city.

Casualty Business Shows Remarkable Growth

President W. E. Harrington, of the National Association of Insurance Agents, was the principal speaker Thursday afternoon. The subject of his address was, "Things of Interest to the Insurance Fraternity." He held the interest of his hearers throughout. His message from the National association was enjoyed by all.

"Growth of Casualty Insurance Business in Texas" was discussed by W. S. Pope, casualty commissioner of Texas. He pointed out that casualty insurance

is a recent development. He said that casualty insurance in the minds of the legislators embraces all lines outside of fire and life. Mr. Pope touched briefly on the workman's compensation law. He traced the growth of this business, showing that the premium income in Texas, which was \$5,600,000 five years ago, is now close to the \$15,000,000 mark. He told the agents that the growth of casualty insurance is commensurate with the growth of industries in Texas.

Senator Gus Russek, Schulenburg, spoke on "Cooperation Among Insurance Agents." Mr. Russek is one of the active members of the Country Agents' association, which was organized a few years ago. He believes there is no necessity now in dividing the insurance circles in Texas. He said the two factions are now on very amiable terms and the time has arrived when all should work in harmony.

Recommends Plan for Contingent Commissions

Following the address of Senator Russek, President Burton announced that the meeting was open for any discussion in which the members may wish to engage. At this juncture, Dallas Smith of Dallas presented a paper in which he expressed the thought that it might be well for the agents to give serious consideration to the matter of insurance commissions. He set forth a plan calling for a contingent commission.

Mr. Smith at first asked that the association go on record in a resolution recommending the contingent plan to the companies. There was considerable discussion on this matter, the consensus of opinion was that this matter should not be decided in haste, that it was one of far-reaching effect, and should be considered most carefully. Finally, it was decided to lay the whole matter on the table.

wakened to the fact that there is good profit in that business and plenty of the business to be had for the asking.

Not Keen for Compensation

In the smaller places it is easy to write compensation insurance, the companies report, but under present conditions the companies are not so keen for that line. It is not showing much profit and the stock companies are not pushing it. The companies writing this line are accepting all the agents turn in but they are not pushing it.

The mutuals and reciprocals are not "deadly" competitors of the stock concerns in the compensation field. One reciprocal which has been giving a dis-

count of 10 percent at the time the business is written, or pledging 16 percent return at the end of the year in dividends in case the 10 percent is not desired at the time the policy is written, has discontinued the 10 percent cash discount.

The companies report a larger volume of automobile liability insurance is being sold. A greater number of cars are also being covered with collision and property damage insurance than in the past. Cars are protected by fire and theft insurance for one year, and companies report these are renewed in most cases at the end of the year. The agents have ceased to specialize in fire insurance in cities, but only there.

"Insuring Insurance" Latest Contribution By Earnest E. Calkins

By J. W. LONGNECKER
Advertising Manager Hartford Fire

ON page 185 of a new book by Earnest Elmo Calkins called "Business the Civilizer" there is a picture drawn by Rene Clark. It is a representation of a bare-footed shoe maker busy at his last with shoes for his customers all around—but none for himself. That picture comes at the end of a section or chapter headed "Insuring Insurance."

In that chapter is set forth Mr. Calkins' ideas of the insurance business and its advertising as first given to the public in the form of a speech at the Insurance Advertising Conference convention in Hartford in May, 1927, and which raised such a storm of controversy and discussion, all of which was stirred up again when the speech, rounded out and elaborated, appeared as the leading article in the "Atlantic Monthly" a little later. Some will recall the article as the one in which Mr. Calkins' characterization of insurance as "a vast building filled with vice-presidents and adding machines" appeared. And that phrase was one of the things that kicked up the row.

Now that characterization, or caricature, stands a good chance of becoming a part of what John Cotton Dana calls the literature of business. It has been put into a book of about 300 pages, published by Little, Brown & Co., of Boston, publishers for "Atlantic Monthly." It is a beautiful book, from the gold and black jacket to the index, which shows that even in the making of a book advertising can yield a decidedly civilizing influence. While between the title and the peroration there is a lot about advertising, and about business—its good points and its bad features.

Of course most insurance men will be interested in the chapter on insurance. They probably will not like all that they read, but it is very enjoyable in spots and it is all extremely readable. I can only say, as I told the Republicans of Richland county, N. Dak., years ago when as a boy I sold eight out of ten of them a copy of Bryan's "First Battle," it is sometimes mighty good to know what the other fellow is saying. On that basis I expect that a lot of agents will call on their local book dealer for "Business the Civilizer" which will be much read, much thought about and pretty generally discussed in insurance circles.

Insuring of Bridges

The Hartford "Agent" has an interesting article on the insuring of bridges. An element of public service enters into the insuring of a bridge, because insurance makes the building of the bridge possible by safeguarding the financiers who advance the money, thereby permitting the structure to pay for itself while it also serves a public need.

GEORGE M. EASLEY & COMPANY— Dallas

Are You fully aware of the Reasons why a GENERAL AGENCY arrangement is so popular with Texas Agents? Especially Agents representing GEORGE M. EASLEY & COMPANY. We will be glad to Tell You.

Do You Know THE CASUALTY INSUROR?

They Like It

A Crackerjack!

I think the answer to the very large number of subscriptions is the fact that The Casualty Insuror is the real goods. As time goes on I think the paper will be appreciated more and more. In my opinion it is a crackerjack salesman.

Good luck.

Richard H. Thompson,
Third Vice-President,
Maryland Casualty Co.

Most Helpful in Existence!

For several years I have followed with great interest the educational work done by The Casualty Insuror. I believe it to be the most helpful publication in existence for the agent who wants to get an education in casualty and surety development.

Spencer Welton, President,
New York Indemnity Co.,
New York.

Congratulations!

I want to congratulate you on the January and February issues of your publication. Have been impressed with the value of every issue, so far as that is concerned, and have continually urged our men to read them carefully. . . .

We believe you are making a very considerable contribution to the business in your monthly.

Conkling, Price & Webb,
Chicago.

Too good to be without.

C. W. Voneiff,
Milwaukee, Wis.

And Phil C. Braniff

I already take it, I read it, I believe it, I like it, I want it, don't stop it.

Phil C. Braniff,
Tulsa, Okla.

If Not, You Have Missed Something

THE CASUALTY INSUROR is a monthly magazine, the only one devoted exclusively to Casualty and Surety selling from the Agent's standpoint. It furnishes material that sells the policies. Although the youngest insurance journal it already stands either second or third among all papers in local agency circulation. Thousands of agents warmly praise it for its helpfulness in closing new business.

A Vast Organization Is at Your Service

THE CASUALTY INSUROR is published by The National Underwriter Company, the greatest insurance publishing house in the world, with important offices in Cincinnati, Chicago and New York, branch offices in Des Moines, San Francisco, Dallas and Atlanta, and news correspondents at 150 points throughout the United States and Canada. This great publishing house issues The National Underwriter (Fire, Automobile and Casualty); The National Underwriter, Life Insurance Edition; the Argus Charts, Fire and Casualty; the Accident & Health Review, a monthly sales magazine for those branches; the A. & H. Bulletins, devoted to the study of sales methods in Accident and Health; the Sales Training Course in Casualty and Bond Underwriting (\$35 a year); a great number of life insurance services, besides THE CASUALTY INSUROR.

Now—An Exclusive Casualty and Surety Service

All the great service resources of this wide publishing business are co-ordinated and are available to THE CASUALTY INSUROR. This implies not merely a wide service but a broad knowledge of the various classes of insurance and of the needs of agents. The organization has been serving insurance agents for more than 30 years, studying their problems and their difficulties, and providing more than any other publishing house the things that aid them in their business. Casualty and Surety, being the newest lines, were the last to have a special service of their own, but THE CASUALTY INSUROR was founded in 1923 to give exclusive attention to the sale of these branches of insurance.

Individual Attention to Every Line

Special departments are devoted each month to Automobile Insurance, Fidelity and Surety, Plate Glass and Burglary, Boiler, Engine and Machinery, Accident and Health, Compensation and Liability, Talks with Salesmen, Workable Selling Plans, latest prices of automobiles, and usually a page of newspaper clippings showing verdicts in damage suit cases. Then there are a number of special articles each month dealing with timely phases of the selling problem.

28 Pages of Selling Ideas

All these articles and departments deal with the customers' need for insurance and the things that induce them to buy. Very little space is given to telling the agent to "Go get 'em." Sound sales arguments are the best sales stimulant. The agent who has a live reason why a customer should have insurance will go out and sell him. THE CASUALTY INSUROR gives those live reasons every month—28 pages of them.

The Casualty Insuror Is Successful

That THE CASUALTY INSUROR is successful in the service it attempts as a sales paper on Casualty and Surety lines is shown by the response it gets from those who are producing the business. Read some of the testimonials given herewith. But an order is the best sort of testimonial. Here are some recent orders:

Unsolicited—16 Subs!

The Winnipeg branch of the Railway Passengers of London (oldest casualty company) sent in, unsolicited, a club of 16 subscriptions to THE CASUALTY INSUROR with check attached. C. H. Fowler of Lansing, Mich., sent in a club of 10 for agents in villages like Linden, Chelsea, etc. The office of the Travelers at San Francisco worked up a club of 42 names and collected the money from the brokers. William B. Joyce & Co., Inc., of St. Paul, voluntarily sent in 15. The W. G. Wilson office at Cleveland worked up a club of 31 and collected the money. The Fred L. Gray Co. has had a club of 50 for several years.

Thousands of Dollars from One Article!

The home office general agency of the Standard Accident at Detroit started with a club of 10 and steadily increased it until it reached 18. The Anderton, McCabe, Shepherd agency at Dayton, Ohio, which is making a big thing out of its casualty lines, placed an order for 12 subscriptions so that each of its men would have his own copy. The Dunlap Agency of Atlanta, Ga., credits THE CASUALTY INSUROR with thousands of dollars in premiums from an article on one branch of insurance.

\$2.00 a Year!
That's All--for the BEST
a Casualty Man Can Buy

The Casualty Insuror,
175 W. Jackson Blvd.,
Chicago, Illinois.

Put me down for a subscription to THE CASUALTY INSUROR at the rate of \$2.00 per year, with the understanding that it may be discontinued at any time on a pro rata basis with refund of amount unearned.

Name

Address

City

State

Start Now—Stop Any Time—You Take Absolutely No Risk

Book Entry Decision

Evidence of Book Entries.—The entries were made from various data telegrams, letters, statements, etc. These were furnished largely by persons who made sales and who were agents of defendant as well as plaintiff. Entries were made by bookkeepers who testified that the data were correctly entered. The bookkeepers were agents of both parties. The persons who had furnished the original data from which entries were made were not available as witnesses. Hold that these books



DOUGLAS CROWELL
Member Board of Directors

of account were properly admitted in evidence. St. Paul Fire & Marine Co. vs. American Food Products Co., U. S. C. C. A. 8th Cir (Ark.).

Some Questions and Answers on Practical Insurance Problems

THE "Phoenix," house organ of the Phoenix of Hartford, gives some questions that come through the mail to its office and are answered. They are all of general interest to agents and are reproduced herewith:

Question—A customer of mine has foreclosed a mortgage on a piece of property. The attorney for the new owner advises him that the policy to the former assured automatically became his on the date of the foreclosure. In view of the fact that I have written insurance for the new owner, can I cancel this old policy pro rata and give the new owner credit for the return premium?

Answer—We do not agree with the opinion of the attorney that because the new owner foreclosed on the property and secured title to it, the old policy referred to automatically became the property of the new owner. The old policy became void through notice of sale under foreclosure.

If any unearned premium is due, it belongs to the person named in the policy, for the reason that insurance is a personal contract and does not follow the property.

Question—Please let me know if there is a special clause which I should use when insuring a pawnbroker's stock.

Answer—In addition to the customary mercantile form we suggest a clause reading as follows:

"In the event of loss it is agreed that the value of the pledged goods shall not exceed the sum loaned thereon with legal interest from date of pledge to date of loss."

Question—What is the objection in a blanket form to the use of the words, "excluding property specially insured"?

Answer—Because its use may not be fair to the insurance companies. For instance, an assured could secure an average rate over all his property and by placing a small amount of specific

insurance on the building or contents less susceptible to loss exclude that portion from the blanket cover, leaving the blanket insurance applying only to the more hazardous portions for the average rate of the whole.

However, the following clause is not objectionable: "This policy does not cover the insured's interest in personal property in which parties other than the insured also have an insurable interest when the insured's interest in said property is otherwise specifically insured."

Question—We have a property to insure, the replacement cost of which, due to obsolescence, is considerably in excess of its present-day value. Under the circumstances we realize that the risk is not an attractive one. The assured is uneasy because of the coinsurance requirements and is willing to have the same percentage depreciation apply to the loss as is used in arriving at the sound value. Can you suggest a clause which will cover this feature?

Answer—Under somewhat similar circumstances we have used the following clause, which may serve your purpose: "In determining the amount of claim in the event of loss, it is agreed that the actual cost of repairs and replacements shall be reduced in the same proportion that the replacement value of the property has been reduced by depreciation and obsolescence, to determine the actual cash value thereof and the application of the coinsurance clause thereto."

Question—We have several customers whose household goods have in part been purchased on the installment plan, the title to which remains in the name of the seller. Will you suggest a clause to protect our assured's interest under the circumstances?

Answer—As you know, it is not uncommon for a concern selling household goods on the installment plan to carry blanket policies protecting their interests. We suggest the following clause, if it will pass muster with your local

association: "It is understood and agreed that household furniture purchased on the installment, or deferred payment, plan is included in this coverage to an amount not exceeding the assured's interest therein, or his legal liability therefor, under the contract of purchase; provided, however, that if there shall be other insurance more specifically covering such property, this company shall be liable only for loss in excess of such specific insurance, subject in all respects to the terms and conditions of this policy."

Question—A customer of ours has a lease on a building which has ten years to run for which he pays \$1,000 a month. He has sublet the property for the same length of time at \$1,200 a month. His profit is therefore \$200 a month, \$2,400 a year, or \$24,000 for the period of the lease. Is it proper to insure this leasehold interest for \$24,000 and should I arrive at the premium by applying the rate to that amount?

Answer—No. If no fire should occur to cancel the lease, according to its terms, not all of this profit would be earned until before the end of ten years. Therefore, in arriving at the proper initial sum, the interest (or more properly, the discount) should be deducted for each month's profit in advance of the time when it would normally be earned.

While your assured's insurable interest in the profits from the lease today is \$24,000, less expenses and discount this insurable interest diminishes as the date of the expiration of the lease approaches. Therefore, if you issue a three-year policy, you should find the approximate value of the assured's insurable interest on the first day of the policy and the value on the first day of the last month of the policy term. The average of the two will represent the amount to which you apply the rate in arriving at the premium, although the principal sum stated in the policy should be the value of the assured's insurable interest on the first day that the policy is issued.

While on the subject it is well to state that the fire clause in the original lease describing the percentage of destruction necessary for the cancellation of the lease is of considerable importance in deciding whether or not a risk of this character is acceptable.

GREETINGS—TEXAS Agents

WE take this opportunity to congratulate you upon your successful Convention and pledge to you our hearty support of your association.

We are anxious to add a few agents of the Association Type to our force. If interested, address

DENNIS & TOMFORDE, Managers

FIDELITY AMERICAN INSURANCE COMPANY

State National Bank Building

Houston, Texas

T. A. MANNING & SONS

General Agents

DALLAS

SERVICE AND SATISFACTION

Fort Worth, home of K. T. Martin & Co., is located in the center of the Texas Hail Writing District.

We are the Pioneer Hail Specialists of Northern Texas, and have been doing business for many years.

Losses promptly adjusted and paid direct from our office.

Agents wanted in unoccupied territory

K.T. Martin & Company

General Agents

First National Bank Bldg., Fort Worth, Texas

Twin City Fire Insurance Company

The Federal Insurance Company

The Northwestern Fire & Marine Insurance Co.

Middle-West Fire Underwriters

Cousins' Address Is Big Feature Friday

The outstanding feature of the Friday morning session was the address of R. B. Cousins, Jr., chairman of the board of insurance commissioners. His subject was, "Some Observations on the Local Agency Situation." Mr. Cousins' address could well be classed as a most unusual one. He brought out some ideas pertaining to the operation of the business that might be classed as most radical, and to say that the agents were somewhat stunned by some of Mr. Cousins' suggestions is putting it very mildly. After they had recovered their composure, however, it was felt by many that it was a good thing for them to have some one jar them loose as Mr. Cousins did.

Shaver Talks on

Writing Farm Business

L. B. Shaver, Denton, Tex., spoke on "How to Write Farm Insurance Successfully." Mr. Shaver made a big hit with the agents. His ideas on the writing of farm business were interspersed with humorous remarks, which kept his audience in an uproar continually.

"How to Run a Small Town Insurance Exchange Successfully," was the subject of an address by R. A. Caldwell, president Corsicana Insurance Exchange.

McElroy and Miss Juniger Are Speakers

In addition to the reports of the various committees Friday afternoon, there were two very able addresses made. These talks were slated for the morning session, but had to be carried over to the afternoon. Frank G. McElroy of Shreveport, La., president of the Louisiana Insurance Society, and Miss Olga Juniger of the Fire Insurance Commission at Austin addressed the agents. Mr. McElroy spoke on "The State Association," while Miss Juniger brought out some very interesting features in connection with fire prevention in public schools.

Marcus Phillips, Kingsville, chairman of the resolutions committee, presented the resolutions, which were adopted unanimously. C. H. Walton, Fort Worth, who was chairman of the nominations committee, presented the names of the directors, all of whom were elected without a dissenting vote.

Companies Represented

The Texas companies and the general agencies of Texas were well represented at this year's meeting. One or more of the officers of the Texas institutions and some members of the general agencies were present. Those companies having Texas departments also had representatives at the meeting.

It was noticeable that at this year's gathering there were not as many field men in attendance as is usually the case at the annual meeting.

Organization and Management of Small Town Insurance Exchange

By R. A. CALDWELL
President Corsicana Exchange

IN discussing this subject we must first take up the matter of organization, for without proper organization it will be impossible to operate a local exchange with any degree of success. The organization of a local insurance exchange had been in the minds of some of our agents for several years, but they were not convinced that the full cooperation of all the agents could be depended upon, and no one felt inclined to take the initial step until a few months ago. I might suggest that the best way to interest local agents in a local organization is to get them to attend and take part in our state and district meetings, as this is the best avenue through which to educate and convince the doubtful agents of the benefits to be derived through both state and local organizations. So long as we refuse or fail to join our state association and remain at home and find fault with those loyal agents who are giving freely of their time and talent to the successful operation of our state association which benefits each and every real local agent in the state, whether he be member or non-member, just so long will we remain narrow and lose the full benefits we should be receiving from the state association, and even find objections to the operation of a local exchange.

Interested Agents in State Organization

Nine months ago there were only two or three of the Corsicana agents members of our state association. The first step we took in organizing our local exchange was to interest our agents in joining the state association, as we felt that we could accomplish very little in the operation of a local exchange unless we were fairly well represented in our state and national associations. We had 13 agents and all but one joined the state association, after which we experienced no difficulty in organizing our local exchange. Before taking definite action in organizing our exchange we discussed the matter with the manager of our chamber of commerce and with our city officials, including the mayor and fire marshal. We have always had the sympathy and cooperation of these gentlemen, and feeling that they were vitally interested in the work we expected to promote, we desired to continue to have their full cooperation and confidence. We then invited Mr. Foreman, our state secretary, to meet with us. We held our meeting at a local hotel in the evening where dinner was served, and which was attended by most of our local agents. Mr. Foreman made a talk on organiza-

tion and operation of a local exchange, after which we had a very informal round table discussion and went into permanent organization with all of the Corsicana agents becoming members.

Local Newspaper Aided Exchange by Publicity

We have endeavored to popularize our exchange by working in harmony with our chamber of commerce and our city officials, and by letting the insuring public understand the real purpose of the exchange—which is to exchange ideas and work together in a manner that will better prepare us to render efficient service to our assureds and our companies. Our meetings have caused the agents to become better acquainted and understand one another better. Our local newspaper has been a great help to us. They are in sympathy with the work our exchange is endeavoring to promote and they gladly publish any story that we feel should be brought to the attention of the public. We hold our meetings monthly. On account of so many other meetings the agents are required to attend we feel that this is often enough, but it is certainly not too often, for if meetings were held less often I believe the agents would lose interest. We organized last October and have only had one meeting at which there was not a quorum present. This was at a time when it was not possible for some of the agents to attend. Our meetings are held at the Chamber of Commerce building, and we have invited the mayor, fire marshal and manager of the chamber of commerce to meet with us when it is convenient for them to do so. We told them that we had no secrets, and that the more they and the general public knew about the insurance business and how it is handled, the better we could serve them and our companies.

Informal Discussion of Insurance Problems

In our regular meetings we discuss any insurance problems the agents may wish to submit that are of general interest. The discussions are very informal, and the most timid agent feels no hesitancy in asking questions or expressing his views. Other than matters of general interest, we have only undertaken one major or special project, and that is fire prevention. To begin our fire prevention campaign we prepared an article which we had printed in pamphlet form on the financial and other advantages that would result from a successful fire prevention campaign extending throughout the entire year and distrib-

uted these pamphlets early in February at our annual chamber of commerce banquet, which was attended by about 600 men and women, most of whom were customers of some of our agents. This was the only piece of reading matter deposited at the plates on this occasion and the toastmaster called attention to them in a very effective way, mentioning the fact that they were placed there by the Corsicana exchange. A little later on we invited Commissioner Campbell to visit us, and he came to Corsicana and talked to the high school students and faculty, met with our chamber of commerce and spoke at one of our service clubs, which meeting was attended by more than 100 people. Mr. Campbell's talks were all in the interest of fire prevention and were well received.

Efforts of the Agents Have Been Rewarded

It was well known that Mr. Campbell came to Corsicana on invitation of our local exchange. In view of the fact that all fire losses paid, and claims pending for the first five months of this year for all of the companies represented by the Corsicana agents on property located within the corporate limits of Corsicana, a town of about 20,000 people, only amount to approximately \$6,000, I feel that the efforts of our exchange must have contributed somewhat to this very satisfactory loss record. In discussing this subject I have only told you about the operation of the Corsicana exchange, but I am not at all acquainted with the operation of any other local exchange, and considering the fact that we are only eight months old I feel that we have met with fairly good success and I am sure that we have been more than repaid for all of the time and energy we have expended. It is my opinion that in order to successfully operate a small town insurance exchange it is very necessary for the agents to work in harmony with one another, with your chamber of commerce, your city officials and your local newspaper. While I have said about as much about organization as I have operation, it is my judgment that the operation of a local insurance exchange depends almost entirely on the manner in which it is organized.

Texas Pays Heavy Taxes

Insurance policyholders in Texas pay out in a year, in addition to their general taxes as citizens, more than \$2,000,000 in the form of state insurance licenses, taxes and fees. The practice shows a growing tendency on the part of state governments to levy special imposts upon policyholders as a means to raise general revenue. Out of about \$100,000,000 dollars collected in one year in this way, only an average of \$1 out of \$25 was used to maintain state insurance departments, though that was the express purpose for which the taxes were originally intended. The remainder of the moneys collected was ex-

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pending for state functions which applied to all citizens, irrespective of insurance, and for which each policyholder had already been taxed as a victim. The figures referred to above do not include the taxes collected in many counties which are of a more local nature.

Big Springs Improves

Big Springs, Texas, a thriving west Texas town, has doubled its population in eight years, and has been building extensively the past year. The new commission-manager city government has abandoned the worn-out reservoir and five exhausted wells, equipped the remaining five wells with individual geared pumps, built a new reservoir of 1,500,000 gallons capacity and 14 new wells and is now adding 10 more wells, which will give the city 25 wells, averaging 160 feet depth, each equipped with a new-type geared pump, from which the water flows by gravity through wrought-iron pipe to the reservoir 2½ miles from the center of town. This reservoir, of concrete construction, has an elevation of more than 200 feet above the business section, affording a gravity pressure of 90 pounds through a ten-inch discharge main to the eight-inch supply line. The city is arranging for the purchase of the Texas & Pacific Railway reservoir of 500,000 gallons capacity to afford additional storage capacity as well as a duplicate feeder.

The fire department now comprises a chief and 32 men, with a large and a small pumper, a Ford chemical truck and 2,100 feet of good hose. The city has adopted a building code which restricts construction in the business section to brick walls or better with non-combustible roofs and requires builders to secure a permit from the city manager. However, no systematic inspection has been made. A fair electrical code, based on the national electrical code, is in force. The state advisory fire marshal ordinance is in effect, with a fire marshal.

Through the city's improvements, the fire insurance key rate this year has been reduced 3 cents and the fire record charge from 6 percent to 3 percent, which penalty the city manager hopes to have removed next year.

Value of Expirations

Just before the close of the meeting C. H. Eckford, El Paso, made a few remarks on the value of expirations. He believes that such values should be established through the courts of the state. He said he realizes that the question has been established as between the companies and the agents, but there is no court decision, so far as he knows, and that the agent has no actual title to the expiration. He made the point that in some instances a mortgagee is using the information on expiration of policies which he may hold in his possession to secure renewals of this business. He said there are many cases where the mortgage men are cutting in on the local agents business in this way. It was decided to refer this matter to the incoming board of directors for their consideration.

Ladies in Attendance

There were several lady agents in attendance at this year's meeting. Among them was Miss Mary Moody, a sister of Governor Dan Moody. Miss Moody is head of a local agency at Taylor, Tex.

There was a tea served in honor of the visiting ladies at the Austin Country Club Thursday afternoon, which was followed by a sightseeing trip.

El Paso, Tex., "Where summer spends the winter," as usual was well represented at the meeting. C. H. Eckford, A. B. Swain and J. C. Echlin made the long trip from El Paso

Observations on Agency Situation

(CONTINUED FROM PAGE 3)

tion and, therefore, have had no effect whatever upon the rate of premium which I pay. They have merely done the clerical act of writing the policy and transmitting the report thereof to the home office and the collection of the premium to the home office. Writing the policy could have been more cheaply accomplished in the home office of the company and the balance of the transaction I could have accomplished by the writing of a letter and the expenditure of a 2-cent postage stamp. It will be insisted that the agents are upon the ground to assist in the adjustment of losses, but the only function which they can perform is to notify the company of the loss and ask that an adjuster be sent, except in those cases where small losses are adjusted by the agent direct and, in those cases, a charge ought to be made for the specific service because those instances are so comparatively few.

Public Pays Too Much for Relief from Annoyances

I would not leave you with the impression that I do not think your services are valuable and I would not leave you with the idea that I think you do not perform a service for the insurance company; for those services an agent is entitled to compensation. Too many of the much-talked-of services are things the assured ought to attend to himself. The public has been educated into permitting insurance agents to do these things. The assured has fallen into the habit of depending upon the agent to keep up expirations and to see to the renewal of policies, and to attend to all matters connected with handling of the property owner's insurance business. This, however, is merely a matter of inertia—often slovenly business methods—and I am inclined to the opinion that the public pays too much for the privilege of being relieved of the small annoyances incident to taking care of its own affairs. Whether or not the public is going to be willing much longer to pay for those somewhat inconsequential services is, in my mind, a question which you gentlemen ought seriously to consider.

Chain Stores Have Replaced Local Merchants

In the insurance business the local agent stands in the same relation that the local retail merchant stands in the usual lines of merchandising. You are all familiar with the transition which is now taking place in some lines of merchandise business which is, to a large extent, eliminating the independent, local retail merchant as we knew him 10 or 15 years ago. In the field of grocery stores the corner grocery, owned and operated by a substantial citizen of the community, is rapidly giving place to a unit of a chain-store organization and you gentlemen who compose this local agents' association are, in the main, buying your groceries from the nearest chain-store unit. You, with the remaining members of the public, have discovered that you were paying the old style local grocery store too much for the privilege of selling you the goods which you need. He was playing a lone hand, his buying costs were entirely too high, his selling methods and practices were not standardized, his credits were carelessly and loosely extended, his delivery service cost more than it was worth to you and you quit trading with him because all those factors produced high cost merchandise and you were not willing to pay the difference between what he charged you and what you could buy the goods for at the chain stores, merely in order to keep him in business.

I do not know just how far the local insurance agent is from that same catastrophe but I do know this: that when

the general public finds that it can, with safety, procure its insurance in such a way that it can save the cost of your commission, it is not going to continue to buy its insurance through you. Some of the local agents do not take seriously the encroachment upon stock company insurance which is being made by insurance written upon a participating plan, but I am entirely serious when I say to you that it is going to be a problem for you to maintain your business in its present form if you permit the cost of the insurance which you now sell to the public to be made up too largely of your share of the premium.

Wholesale Insurance Schemes Discussed

You all remember the Chrysler case which created quite a disturbance about two or three years ago, in which there was an effort to place wholesale insurance. You recall recently in Texas a controversy in which the Santa Fe Railroad was involved. The effect of it was to go around the local agent and place insurance elsewhere. These schemes of wholesale insurance which will reduce the cost of insurance to the man that is paying for it are not the result of some unlawful effort to put the local agents out of the business. They do not proceed from anybody who is an undesirable citizen, but they proceed from the social and economical developments of this country which require that every man conduct his business at as little cost as he can, and when he comes to figure his insurance costs the first place that he finds that he can cut is on the insurance agent's commissions. You gentlemen are in a precarious position, as I see it, from that standpoint, because you are the most vulnerable point in the whole system of insurance as it exists today. These schemes I have just mentioned are only indicative of the movement which is going on and which, I believe, is of tremendous significance. I will go further than that and say that we are not going to be able to prevent the growth of schemes of that sort through any sort of legislation, agency qualification laws, or strengthening of the resident agent law. I think that at the present time those schemes are not properly regulated, and I am in thorough sympathy when you for the time being undertake to thresh them out or stamp them out, and I will help you in doing that; but there is going to come a time when somebody is going to suggest a well regulated system of that sort to cut out the local agent's commission that we are not going to be able to get at. I think it is a serious proposition that you from your standpoint ought to be thinking about.

I think, furthermore, that the absolute limit in insurance agency cost has been reached and that if there is any further increase in commissions the effect will be disastrous to you. I think, therefore, that your discussion of the agency commissions should certainly include a consideration of this danger, which has never been mentioned to me by any agent and which you, perhaps, do not realize. Agency costs now are as high as the public ought to be required to pay and they are, in my judgment, as high as the public is going to be willing to pay.

Policyholder Should Pay Direct for Service Received

Whether or not the board of insurance commissioners, under the law governing insurance policies at this time, has any sort of right to regulate commissions paid to agents in any way is doubtful. My own view is that we do not have the right. If, however, insurance agent's commission costs show any in-

clination to mount any higher, the commission may feel the necessity of undertaking some regulatory measures and let the courts pass on our authority. In the light of my suggestion that you ought to represent the assured and that commission costs ought to be measured by the value of the service rendered the assured, I want to ask if you will agree to this further idea: that the board of insurance commissioners ought to have the authority and ought, as a matter of practice, to fix insurance rates at a net cost between the property owner and the insurance company, leaving out entirely, in the determination of the proper rate, any agency commission factor. And a company ought to be prohibited from paying to the insurance broker any commission for business brought to it. Then, as a representative of the assured, the insurance agent ought to charge the assured for the service which he has rendered him in placing the policy of insurance and the amount of that charge ought to be a matter of individual contract between the agent and the property owner. The property owner should know exactly the amount that he is paying to the agent for his services rendered in the premises and if the agent cannot sell the property owner on the idea that he can render him some service in connection with the placing of his insurance so as to justify the property owner in paying a service charge or a brokerage, the property owner ought to be permitted to handle his own insurance directly with the insurance company and save entirely the agency cost.

Problems Are Those Agent Has Never Seen

Why am I talking to you like this? Because I think a whole lot of you; because I think I see some problems you have never seen. I am not talking to you to berate you or to demean you or to degrade you at all. I am not fussing with you about present conditions, but I do want you to move into a position which you can defend, and on to ground from which you will not have to retreat. No question is ever settled until it is settled right. No institution is ever established until its foundations are laid broad and deep in the principles of everlasting truth, and you can not make truth conform to the principle of a divided allegiance between two conflicting interests. I would like to see you get over here on the side of the policyholder and stand up and tell the world, "He is my client, he is the man that I represent. I am going to fight his battles wherever they may be pitched, and when the battle is fought and the victory is won he is the man that is going to pay me for my services." When you take that position you are in an unassailable position and you can not be run out of it by enemies without or foes within, is my view of it.

It will be objected by some that the arrangements which I have outlined would destroy the agency system and that it ought to be preserved because it has been the most important factor in the building up of the insurance business to its present position and it has rendered and still renders an invaluable service. That it has been instrumental in the building of the insurance business and that it renders a service and that without its instrumentality and its service the insurance business would probably not have been built to its present position, is doubtless quite true, but in my view the arrangement which I have suggested is not very different fundamentally from that now obtaining. It merely fits the organization to the present fact. It merely calls things by their right name and places the burden and responsibility openly where they now, as a matter of fact, fall.

But whatever may have been the service rendered to the insurance business or to the insuring public in the past by the agency system, it cannot and will not be preserved for that rea-

son alone. Social, economic and financial evolution is relentless and no institution of any sort can long stand in the present day unless it justifies itself in this day. We will not keep a valueless or an outworn machine merely because it has been valuable and useful in the past. The American agency system is confronted with these things that I have been talking about to you, and I think it is high time for you to consider the advisability of adjusting yourselves to the developing business and thereby preserve your own business and your own selves in the business.

Speech Not an Official Statement

Now, I want to make myself perfectly plain on one or two things. I recognize this as a radical departure from the ordinary procedure, and I do not want you to misunderstand me. In the first place, I want to tell you that this is not the announcement of an official program. I am not talking for the board of insurance commissioners. I have not discussed this matter with either one of my colleagues on the board and I have no remote idea what their reactions to these suggestions would be. I want to say further that so far as I am personally concerned, I have no disposition to undertake to push any of these reforms that I have suggested on to you at this time. I do not know that the things that I have suggested are the best. I am trying to give you something to think about. When we all get together around the table in our private councils we can work these things out and come to some conclusion about them and determine what would be the best thing to do. I consider the things that I have been talking to you about as vital principles of right and wrong and economic forces and economic facts that you can not longer ignore.

Things Fundamental to the Insurance Agency Business

There are things which have been vaguely hinted at and talked about under cover for some time. I have brought them out into the open for inspection in public discussion. They are things which, in my judgment, are fundamental to the insurance agency business, and I think they are much more important to you and to the future welfare of those individuals who have strength and character enough to sur-

"Office Management"—Business Book Offers Better Methods

BY J. W. LONGNECKER

We who are in the insurance business and who sweat that we may get whatever it is that represents "the bacon" to us, know that we have to look over the shoulders of other men now and then to get ideas for running our own affairs—that is if we want to keep improving and up to date.

Big organizations have office managers. Even the one-man-office has office management to do. I have to office my library and my work at home, or it gets into an awful mess. If we can't hire an office manager, one of the associates must do that work or we must do it ourselves.

Management Fundamentals Listed

The fundamentals of office management are: "Principles of organization; elimination of waste; production control—an intimate knowledge of what must be done, how long it will take, and how large a force of workers is needed; devising methods which require the minimum of effort; training assistants and workers; knowledge of what constitutes a day's work; ability to get a fair day's work from the employee." That quotation is taken from a book—a new book written about running the machinery of a business. And to my mind the running of a local agency is a very important piece of business.

J. H. MacDonald Author

This new book was written by John H. MacDonald, M. C. S. It is put out by Prentice-Hall, Inc., and it may be secured from any book store.

John H. MacDonald is well qualified to write about running an office. He is assistant professor of management at New York University School of Com-

merce, Accounts and Finance. He helped write another book called "Fundamentals of Business Organization and Management." He is a member of the office executives' division of the American Management Association.

I found the first chapter or so delightfully refreshing after a day filled with office trials and tribulations. It all promised to be intensely practical, and so I delved into it, with notebook at hand.

Insurance Covered

Insurance is mentioned a number of times in the book. Professor MacDonald says, in splitting all business into four parts: production, finance, distribution, and administration, "A moment's consideration will show that every business whether it is engaged in producing automobiles or underwriting insurance risks, produces something, and that, therefore, the units of the organization which have to do with this production should be regarded as productive units."

The book goes on to tell how to lay out an office, how to handle incoming and outgoing correspondence, what equipment and appliances will improve office efficiency. Filing systems that are practically error proof are shown and explained. Then there are pointers and tactful suggestion on the issuance of these office appliances, telephone service, sales reports, advertising records, purchasing requisitions and credit information. Of particular interest, and fully apace with modern times, are the comments on "office manuals," "preparation" and "use" of forms, as well as the selection and training of office employees.

Whole chapters are given to the importance of office costs and budgets and

the equitable payment of employees for their services to the business.

But this book, like nine out of ten business books I read, had to be read over the shoulder of other business. That damning qualifying phrase, "but the insurance business of the local agents is different" again comes into it. It does not apply the rules to your business any more than it does to the business of the banker or the baker. You will have to do your own applying.

But that does not mean that it is not worth while to insurance agents. It certainly is—if you will dig out of it the best practice of business as it is generally known and written about and apply these sound principles to your own problems and square the practice to your needs and to your daily routine. And, isn't that exactly why we read books?

The book ought to prove a good buy at \$5. When you order it, tell the publisher, please, that you read about it in THE NATIONAL UNDERWRITER. And then when you have put some of its teachings to work for you, write and tell the author of this review what you did.

House Sold, Then Burned

The dwelling house owned jointly by the several heirs of Cook was insured for them by appellee. Subsequent to delivery of policy sued upon an action was instituted by some of the joint owners against the others for a sale of the real estate involved and a division of its proceeds. The highest and best bidder at the sale had been accepted as its purchaser by the commissioner and had executed bond for the purchase price. Before the sale was confirmed the house insured was destroyed by fire. The sale subsequently was confirmed and the purchaser was required to pay the purchase price regardless of the fact that in the meanwhile the dwelling house had been destroyed by fire. Held that there was a change of the interest and title of the subject of this insurance by acceptance of the bid and purchase money bond of the purchasers at the judicial sale which avoided the policy of insurance sued on herein under its express terms, as no sufficient reason then existed why the sale should not be confirmed. Judgment dismissing appellants' petition affirmed. Cook's Admr. vs. Franklin Fire, Ct. of Appeals, Ky.

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Some Recent Court Decisions in the Fire Insurance Field

Evidence That Insurer Had Waived Additional Insurance Provision of Fire Policy Held to Present a Jury Question.—In *Rowell vs. Firemen's*, Supreme Court of S. C., 140 S. E. 20, the plaintiff brought an action to recover upon a fire policy. The defendant denied liability on the ground that the plaintiff had taken out additional insurance on the property, in violation of the terms of the policy.

The evidence tended to show that the defendant's local agent suggested to plaintiff that she take out additional insurance. That the plaintiff did take out additional insurance but with another company, and this fact was communicated to the agent. On this state of facts the plaintiff contended that the defendant had waived the additional insurance clause of its policy because of the suggestion of its local agent that additional insurance be secured.

Higher Court Reverses Judgment for Defendant

The trial court directed a verdict for the defendant. On appeal the higher court, with one justice dissenting, in reviewing the record, and in reversing this judgment, on the ground that a jury question was presented, said:

"It was not disputed that the respondent's agent saw the appellant a number of times after she had procured the insurance in his company, and suggested that she take out additional insurance on her house and household goods. It is reasonable, of course, to suppose that the agent expected any such additional insurance to be taken in his company. However, it is not clear that the appellant so understood him. It is clear that, in line with his suggestion, she procured additional insurance.

"It is true that the testimony is meager and not altogether clear on the point in dispute, but we think that from the testimony quoted, when taken in connection with other testimony of the case, a reasonable inference may be drawn that the appellant said or stated to respondent's agent that, following his suggestion, she had taken out other insurance on the property, which, if the company failed to act upon such alleged knowledge before the destruction of the property by fire some time later, would be some evidence of waiver on its part of the violation by the insured of the condition of the policy.

"If more than one inference can be drawn from the testimony, a question of fact is made for the jury. . . . The judgment below is reversed and the case remanded for a new trial."

* * *

Held, among other things, that it seems to be the general rule that mortgagor's insurable interest in mortgaged property continues to exist after foreclosure sale and before the time for redemption has expired. In this case defendant was not notified of the loss of the insured building on the night of the fire by the mortgagee. The day following one of its agents was in town trying to

collect the premium on the policy and was advised of the fact that the insured property had been destroyed. December following an adjuster representing defendant, visited the scene of the fire and made an investigation in connection therewith. In the absence of any specific requirement in the policy for further proofs of loss, it must be held that the notice given was sufficient to comply with the requirements of the statute. *Baker vs. Pennsylvania Fire Co. Sup. Ct. Montana.*

* * *

Under Tennessee law husband held sole and unconditional owner of real estate held with wife by the entirety within terms of fire policy.—In *McNeil vs. Connecticut Fire*, district court W. D. Tennessee, 24 Fed. (2d) 221, an action was brought to recover under a policy for the loss of a dwelling. The sole ground of defense was that the policy was in the name of one McNeil while the property was held by McNeil and his wife as tenants by the entirety. This, the defendant claimed rendered the policy void in view of the sole and unconditional ownership clause.

The insured brought suit in the Tennessee courts, and the company had the action removed to the United States District Court. Here in reviewing the record in the light of the law of Tennessee and ordering judgment in favor of the insured the court said:

Husband and Wife Are One Person in Law

"The law of Tennessee, as to tenants by the entirety is purely the old common law. In this age of the Nineteenth Amendment, rights of women, feminism, women officeholders, and general emancipation of the sex, it is almost shocking to learn that in one form of conveyancing, 'the husband and wife are as one person in law,' and the husband is that one person; 'the legal existence of the wife' being 'incorporated into that of the husband.' * * *

"Applying the above statement of the law to the instant case, what do we find? First, that the entire loss must fall on Errol McNeil. The property was paid for out of his own money, and, if restored, must be restored by his own money. Second, clearly and unquestionably he has 'under claim of right' according to all the Tennessee decisions and under the common law, 'the exclusive use and enjoyment of the entire estate in the property' (subject to the contingent right of survivorship in the wife), without assertion of adverse title by another. Does not this make him a sole and unconditional owner for insurance purposes? * * *

"In accordance with this opinion, let a decree be prepared, giving judgment to complainant, with costs, for \$4,500 with interest at 6 percent. The prayer for the statutory penalty of 25 percent of the face of the policy is denied. Penalties should only be enforced where the defense is without merit on its face, and certainly the instant case presents a nice question of law."

"TEXAS"

'Neath the fairest skies of heaven,
On the broadest of earth's plains,
Where the fields of snowy cotton
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Texas bids a smiling welcome
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Smiles upon her from on high.

THE NATIONAL UNDERWRITER

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